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REHABILITATION AMENDMENTS OF 1983

JUNE 29 (legislative day, JUNE 27), 1983.—Ordered to be printed

Mr. HATCH, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 1340]

The Committee on Labor and Human Resources reports favorably, an original bill, S. 1340, to revise and extend the Rehabilitation Act of 1973 and to extend the Developmental Disability Assistance and Bill of Rights Act, and for other purposes, and recommends that the bill do pass.

I. BACKGROUND OF S. 1340

The Subcommittee on the Handicapped conducted hearings on February 24, and March 21, 1983, to review concerns regarding reauthorization of the Rehabilitation Act of 1973, as amended. Witnesses appearing before the Subcommittee included the Deputy Under Secretary for Planning, Budget, and Evaluation in the Department of Education, Commissioner of the Rehabilitation Services Administration and representatives of State vocational rehabilitation agencies, research programs, client assistance projects, special demonstration programs, projects with industry, and independent living centers. In addition, testimony was presented by the Chairman of the National Council on the Handicapped and the Director of the National Institute of Handicapped Research. Constituent organizations presenting testimony included the Council of State Administrators of Vocational Rehabilitation, the National Association of Rehabilitation Research and Training Centers, the National Rehabilitation Association, the National Association of Rehabilitation Facilities, the American Congress of Rehabilitation Medicine, and the National Council on Rehabilitation Education. Witnesses included a number of handicapped individuals.

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The Subcommittee on the Handicapped favorably reported an original bill for reauthorization of the Rehabilitation Act on May 9, 1983. On May 18, 1983, the full Committee voted unanimously to order the bill, as amended, reported to the Senate.

II. Section-by-Section Summary

TITLE I—REHABILITATION AMENDMENTS OF 1983

(The term "Act" under title I refers to the Rehabilitation Act of 1973, as amended.)

Section 101. Definition

Subsection (a) amends section 7(7) of the Act to provide that the term handicapped individual, for the purposes of title I of the Act, means any individual meeting the other parts of the definition who is 16 years of age or older.

Section 102. Reports

Subsection (a) amends section 13 of the Act to require the Commissioner of the Rehabilitation Services Administration (RSA) to collect and include in the annual report specific information regarding each client whose case is closed in the previous fiscal year. The data elements to be reported must include, but are not limited to, age, sex, race, ethnicity, education, type of disability, key rehabilitation process dates, earnings at the time of entry into the program and at the time of case closure, work status, occupation, cost of case services, types of services provided, types of facilities or agencies which furnished services (and whether the facility or agency is public or private), and reasons for closure. The Commissioner is required to take whatever action is necessary to ensure the confidentiality of each client on whom data is collected.

Section 103. Evaluation

Subsection (a) amends section 14 of the Act to require the Secretary of Education to establish and apply standards for the evaluation of programs authorized under the Act. To the extent feasible, the standards should relate to characteristics of the clients served, increases in employment and earnings and consideration of local economic factors.

Subsection (b) further amends section 14 of the Act to require the Secretary to evaluate the effectiveness of the projects with industry program (authorized under section 621 of the Act) and to evaluate the effectiveness of, and assess alternative means of financing for, the independent living centers (authorized under section 711 of the Act). These programs are to be evaluated no later than September 30, 1984, using the standards required to be developed under these sections. The Secretary is required to submit interim reports to the Congress every 90 days and to submit a final report of these evaluations by December 31, 1984.

PART A—VOCATIONAL REHABILITATION SERVICES

Section 111. Authorization of Appropriations

Subsection (a) amends section 100(b)(1) of the Act and extends for three years the authorization of appropriations for the basic State grant program of vocational rehabilitation services. There is authorized to be appropriated $993.9 million for fiscal year 1984, $1,047.6 million for fiscal year 1985, and $1,103.0 million for fiscal year 1986.

Subsection (b) amends section 100(b)(2) of the Act to authorize such sums as may be necessary for fiscal years 1984, 1985, and 1986 for innovation and expansion grants authorized under section 120 of the Act.

Subsection (c) amends section 100(b)(3) of the Act to extend through fiscal year 1986 the authorization for grants to Indian tribes for vocational rehabilitation services.

Section 112. Maintenance of Effort

Subsection (a) repeals section 110(b) of the Act which authorizes supplementary Federal funds for States which overmatch their Federal allotment due to the maintenance of effort provisions under section 111 of the Act.

Subsection (c) provides that the repeal under subsection (a) is to take effect October 1, 1986.

Section 113. Client Assistance

Subsection (a) amends section 112 of the Act to require, as a condition for receipt of State allotments for vocational rehabilitation services, that each State establish a client assistance program by September 30, 1985. The client assistance program will provide information and advice to clients and applicants regarding any benefits available under the Act. The program would be able to pursue legal, administrative and other remedies to ensure the protection of rights and benefits under the Act. The program is not to be administered by the State vocational rehabilitation agency and is to be independent of any agency which provides treatment, services, or rehabilitation to handicapped individuals under Titles I through VII of this Act The Governor shall designate a public or private agency to conduct the client assistance program.

The Secretary is to prescribe regulations which require that employees of a client assistance program not concurrently serve as staff or consultants to, or receive any benefits from, any entity receiving assistance under Titles I through VII the Act in the State. The regulations are to require that each client assistance program be afforded reasonable access to policymaking and administrative personnel in the State and local rehabilitation programs. Regulations are also to specify that mediation procedures are to be pursued prior to resorting to administrative and legal remedies. Each program is required to submit an annual report to the Secretary which includes program accomplishments and a uniform statistical tabulation of all cases handled by such program. The Secretary is to submit such reports to Congress along with a summary of the reports and his evaluation of the program, including recommendations.

There are authorized to be appropriated $6 million for fiscal year 1984, $6.3 million for fiscal year 1985, and $6.7 million for fiscal year 1986 for the client assistance program. The funds appropriated are to be allotted to the States on the basis of relative State population, except that each State is to receive a minimum of $50,000. The following territories are not to receive an allotment based on population, but are to receive $30,000 each: American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

Section 114. Innovation and Expansion

This section amends section 121(a) of the Act to require that grants for innovation and expansion of rehabilitation serices include programs for individuals with the most severe handicaps and programs for handicapped individuals with unusual or difficult problems in connection with their rehabilitation. These grants are also to fund programs which maximize the use of technological innovations in meeting the employment training needs of handicapped individuals.

PART B—RESEARCH

Section 121. Authorizations of Appropriations

This section amends section 201(a) of the Act to authorize such sums as may be necessary for the expenses of the National Institute of Handicapped Research for fiscal years 1984, 1985, and 1986. For the rehabilitation research program authorized under section 204 of the Act, there are authorized to be appropriated $36 million for fiscal year 1984, $38 million for fiscal year 1985, and $40 million for fiscal year 1986.

Section 122. National Institute of Handicapped Research

Subsection (b) amends section 202(c) of the Act to require that the Director of the National Institute of Handicapped Research (NIHR) be an individual with substantial experience in rehabilitation and in research administration.

Subsection (c) amends section 202 of the Act by adding a new subsection (j) which requires that the Director of the NIHR award a grant to an institution of higher education for the establishment of a research and training center on pediatric rehabilitation. The Director is also to establish a Research and Training Center in the Pacific Basin.

Section 123. Research Projects

Subsection (a) amends section 204(b)(1) of the Act to provide that rehabilitation research and training centers are to include both comprehensive centers dealing with multiple disabilities and centers focused on particular disabilities. Grants to centers need not be automatically terminated at the end of a project period but may be renewed on the basis of a thorough evaluation and peer review, including site visits. Training of students preparing to be rehabilitation personnel is to be an important priority of the centers. Grants to centers may include faculty support for rehabilitation-re-

lated courses offered by the institutions of higher education affiliated with the center.

Subsection (c) amends section 204(b) of the Act by adding paragraph (13) which authorizes the Director of the NIHR to use discretionary research funds to conduct a new rehabilitation research program. This program will provide financial assistance to test new concepts and innovative ideas, demonstrate research results of high potential benefits, purchase prototype aids and devices for evaluation, develop unique rehabilitation training curricula, and respond to special initiatives of the Director. No single payment under this paragraph is to exceed $50,000 in any fiscal year. Total payments under this paragraph are not to exceed 5 percent of the amount available for research under section 204 in any fiscal year.

PART C—SUPPLEMENTARY SERVICES AND FACILITIES

Section 131. Grants for Construction

This section amends section 301(a) of the Act by authorizing such sums as may be necessary for the construction of rehabilitation facilities through fiscal year 1986 and by making such funds available through fiscal year 1987.

Section 132. Vocational Training Services for Handicapped Individuals

Subsection (a) amends section 302(a) of the Act by authorizing such sums as may be necessary for vocational training services to handicapped individuals through fiscal year 1986.

Subsection (b) amends section 302(b) of the Act by adding paragraph (4) which provides that no training grant under this subsection is to be continued for more than 2 years unless such project meets standards related to employment and earnings or unless the Commissioner determines that acceptable remedial measures have been taken by the grantee.

Section 133. Training

Subsection (a) amends section 304(a) of the Act to add the word "qualified" each time reference is made to personnel trained under this section. In addition, qualified personnel are to be specifically trained to deliver services to individuals who may benefit from receiving comprehensive services for independent living. Training is also to be provided to increase the number of personnel qualified to deliver services in client assistance programs. Training furnished to rehabilitation counselors is to include instruction in the applicability of the provisions of section 504.

Subsection (c) amends section 304(b) of the Act to repeal language which states that training grants "will be utilized to provide a balanced program of assistance to meet the medical, vocational and other personnel training needs of both public and private rehabilitation programs and institutions * * *." New language is inserted which provides that training grants shall be targeted to areas of personnel shortage.

Subsection (d) amends section 304(c) of the Act to require the Commissioner to prepare and submit to Congress an annual report on manpower * * * setting forth and justifying in detail how the

training funds for the prior fiscal year were allocated by professional discipline and other program areas. The report is to contain findings on personnel shortages, and a proposed allocation of funds in the succeeding fiscal year to address such identified shortages.

Subsection (e) amends section 304(d) of the Act to authorize appropriations of $22 million for fiscal year 1984, $26.8 million for fiscal year 1985, and $28.3 million for fiscal year 1986 for training rehabilitation personnel.

Section 134. Comprehensive Rehabilitation Centers

This section amends Section 305(g) of the Act by authorizing such sums as may be necessary for comprehensive rehabilitation centers through fiscal year 1986.

Section 135. Special Projects: Authorization of Appropriations

This section amends section 310(a) of the Act to extend authorizations of appropriations for special projects. There is authorized to be appropriated $12.9 million for fiscal year 1984, $13.6 million for fiscal year 1985, and $14.3 million for fiscal year 1986.

Section 136. Special Demonstration Programs

Subsection (a) and (b) amend section 311(a)(1) of the Act to remove responsibility for spinal cord injury demonstration projects from the Commissioner of RSA and assign such responsibility to the Director of the NIHR. Using special project funds appropriated under section 310, the Director of the NIHR may make grants to States and to public or private agencies to pay part or all of the cost of special projects and demonstrations for spinal cord injuries. The Director is to coordinate each such grant with the Commissioner.

Subsection (c) amends section 311 of the Act by adding at the end thereof new subsections (c) and (d). Subsection (c) authorizes the Commissioner of RSA to make grants for demonstrations, including research and evaluation, to assist individuals with mental retardation to enter the labor force. These demonstration projects may include on-the-job training, work site modification, the development of advanced learning technology for skills training, dissemination of innovative techniques to business and industry, and follow-up services for persons placed in employment. Subsection (d) authorizes the Commissioner to make grants for special projects for handicapped youths to provide job training and prepare such persons for entry into the labor force. Projects are to include cooperative efforts between local education agencies, business and industry, vocational rehabilitation programs, labor organizations and local economic development programs. These projects are to be coordinated with projects assisted under section 626 of the Education of the Handicapped Act.

Section 137. Helen Keller National Center for Deaf-Blind Youths and Adults

This section amends section 313(e) of the act to extend the authorization of appropriations for the Helen Keller Center. There is authorized to be appropriated $3.7 million for fiscal year 1984, $3.9 million for fiscal year 1985, and $4.1 million for fiscal year 1986.

Section 138. Special Recreation Programs

This section amends section 316 of the act to extend authorization of appropriations for special recreation programs. There is authorized to be appropriated $2 million for fiscal year 1984, $2.1 million for fiscal year 1985, and $2.2 million for fiscal year 1986.

PART D—NATIONAL COUNCIL ON THE HANDICAPPED

Section 141. Administration of the National Council

This section amends section 400 of the Act to establish the National Council on the Handicapped as an independent agency within the executive branch of the Federal Government.

Section 142. Duties of the National Council

This section amends section 401 of the Act to provide that the National Council is to advise and make recommendations to the President and the Congress regarding programs to be carried out under the Act, including responsibilities regarding services and research. The National Council is to provide Congress such advice and recommendations on a continuing basis. Additional information which the Council or the Congress deems appropriate is also to be provided.

Section 143. Staff of the National Council

Section 143 amends section 403(a) of the Act to provide that the National Council is to appoint an executive director experienced in the planning or operation of programs for the handicapped. The amendment also authorizes the executive director to hire not more than 7 technical and professional employees to assist the National Council in carrying out its duties.

PART E—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Section 151. Authorization of Appropriations

This section amends section 502(i) of the Act to authorize the appropriation of such sums as may be necessary for fiscal year 1984, but the total appropriation is not to exceed $3 million.

PART F—EMPLOYMENT OPPORTUNITIES

Section 161. Community Service Employment Programs

This section amends section 617 of the Act to authorize such sums as may be necessary for community service employment programs for fiscal years 1984, 1985 and 1986.

Section 162. Projects with Industry

Subsection (a) amends section 621(a)(1) to allow the Commissioner of RSA to enter into agreements with State vocational rehabilitation agencies for the establishment of projects with industry.

Subsection (b) amends section 621(a) by adding new paragraphs (3) and (4). Paragraph (3) requires the development of performance standards for projects with industry. The Commissioner is to develop and publish such performance standards by July 1, 1984; the

standards must have the approval of the National Council on the Handicapped. Paragraph (4) requires the Commissioner to continue funding to projects with industry if such projects agree to maintain standards at least as stringent as those established under paragraph (3) and if the projects have substantially met such standards. Paragraph (4) requires that each project with industry receiving funds in the fiscal year in which this paragraph is enacted is to continue to receive assistance until October 1, 1984, unless there is a substantial failure of compliance with the agreement which established the project.

Section 163. Distribution of Projects with Industry

This section amends section 621 of the Act to require, to the extent practicable, an equitable distribution of payments for projects with industry among the States.

Section 164. Authorization of Appropriations

This section amends section 623 of the Act to extend the authorization of appropriations for projects with industry (section 621) and for business opportunities for handicapped individuals (section 622). There is authorized to be appropriated $13 million for fiscal year 1984, $14.4 million for fiscal year 1985, and $15.2 million for fiscal year 1986 for projects with industry. Such sums as may be necessary are authorized to be appropriated for business opportunities for handicapped individuals for fiscal years 1984, 1985 and 1986.

PART G—SERVICES FOR INDEPENDENT LIVING

Section 171. Evaluation of Independent Living Centers

This section amends section 711 by adding paragraphs (e) and (f). Paragraph (e) requires the development of performance standards for the independent living centers. The Commissioner of RSA is to develop and publish such standards by July 1, 1984. In addition, the Commissioner is to make recommendations for the improvement and continuation of each such center and for the support of new independent living centers. The standards to be developed must have the approval of the National Council on the Handicapped. In developing the standards, the Commissioner is to obtain the recommendations of independent living centers and professionals and associations serving handicapped individuals, particularly associations engaged in rehabilitation research. Paragraph (f) requires the Commissioner to continue funding each independent living center (receiving assistance in the fiscal year in which this subsection is enacted) until the final evaluation report on independent living centers (required under section 14) has been submitted to the Congress. Such continued funding is not required if the Commissioner finds substantial noncompliance with the provisions of the approved application for such funds.

Section 172. Authorization of Appropriations

Subsection (b)(1) authorizes to be appropriated such sums as may be necessary for comprehensive services for independent living (part A) for fiscal years 1984, 1985 and 1986.

Subsection (b)(2) authorizes appropriations for independent living centers (part B). There is authorized to be appropriated $21 million for each of the fiscal years 1984, 1985 and 1986.

Subsection (b)(3) authorizes to be appropriated such sums as may be necessary for independent living services for older blind individuals (part C) for fiscal years 1984, 1985 and 1986.

TITLE II—DEVELOPMENTAL DISABILITIES

(The term "Act" under title II refers to the Developmental Disabilities Assistance and Bill of Rights Act.)

Section 201. Protection and Advocacy of Individual Rights

This section amends section 113(b)(2) of the Act to authorize appropriations of $8.4 million for fiscal year 1984 for protection and advocacy systems.

Section 202. University Affiliated Facilities

This section amends section 123 of the Act to authorize appropriations of $7.8 million for fiscal year 1984 for university affiliated facilities.

Section 203. Grants for Planning and Provision of Services

This section amends section 131 of the Act to authorize appropriations of $45.4 million for fiscal year 1984 for grants for planning and provision of services.

Section 204. Special Projects

This section amends section 145(f) of the Act to authorize appropriations of $2.6 million for fiscal year 1984 for special projects.

III. Discussion of Amendments

TITLE I—REHABILITATION AMENDMENTS OF 1983

Section 101. Definitions

This section amends section 7(7) of the Act to provide that, for the purposes of title I only, the definition of handicapped individual is to include any person meeting other parts of the definition who is 16 years of age or older. This amendment responds to a concern of the Administration that as State vocational rehabilitational (VR) agencies are focusing priority on the severely handicapped, the younger handicapped population is receiving fewer services. The amendment is to assure that disabled youth who can benefit from rehabilitation services receive them in a timely and appropriate manner. It is not the Committee's intent to exclude disabled youth who may be younger than 16. The Committee has included an age 16 merely to encourage vocational rehabilitaiton to begin to consider how they may serve disabled youth in order to maximize their employment potential.

Section 102. Reports

This section amends section 13 of the Act to require that the annual report on program activities include specific information on clients served and rehabilitated. Data to be presented in the report

is to include demographic data on clients, costs and types of services provided, earnings information, and other data needed by the Congress to assess the scope and effectiveness of rehabilitation services. The Committee finds that such information is necessary to identify the strengths and weaknesses of the program. An annual analysis of costs and benefits of the basic State grant program is needed for Congressional oversight purposes; the committee requests that such an analsysis be included in each annaul report.

Section 103. Evaluation

Amendments to section 14 of the Act require the Secretary of Education to develop and use standards to evaluate the programs authorized under the Act. The purpose of these standards is to assist in the determination of program effectiveness in rehabilitating the handicapped by establishing objective criteria to measure program outcomes. It is the Committee's intent that the standards shall, to the extent feasible, for all appropriate programs, include standards relating to increases in employment and earnings, taking into account the economic factors of the area served by the program and the characteristics of the individuals to be served.

The Secretary is further directed to evaluate the projects with industry and independent living centers programs under specific standards established pursuant to the provisions of this bill and to submit a final report to the Congress by December 31, 1984. The Committee believes that it is important that the Department develop objective standards by which program activities can be measured. The specific evaluations required are needed by Congress to determine the future direction of the projects with industry and independent living centers programs.

The Committee is concerned that since initial authorization of the independent living center program in 1978 and projects with industry in 1973, the Department has conducted no comprehensive, objective evaluation of the programs, despite repeated requests from the independent living centers and projects with industry themselves that such evaluations be conducted. In order to assure that the Department conducts a fair and comprehensive evaluation of these programs, the Committee finds it necessary to set up a timetable whereby the Department must develop standards for evaluation and submit a final evaluation report to Congress.

The Committee finds that independent living centers and projects with industry have developed in various forms to meet the differing service needs of disabled citizens, but believes such diversity may be necessary and desirable. In requiring an evaluation of these programs based on specific standards, the Committee does not wish to imply that a single service delivery model must be established, but rather wishes to assure continued high quality of services under these programs.

State vocational rehabilitation agencies and other entities using funds authorized under the Act are to maintain and provide the information needed to conduct evaluation studies of the programs under the Act.

Section 111. Vocational Rehabilitation Services: Authorization of Appropriations

The Committee is amending section 100(b)(1) of the Act to increase the authorization of appropriations for the State grant program by approximately 5.3 percent each year for three years. The Committee is increasing authorization levels so that additional handicapped persons may be served and rehabilitated into employement under this program. Studies show that this State-Federal investment in rehabilitation services pays for itself over a four-year period and creates tax revenues for years thereafter.

Section 112. Maintenance of Effort

This measure provides that repeal of the maintenance of effort provision take effect October 1, 1986. The Rehabilitation Act of 1973 established the requirement that States had to maintain their 1972 level of funding. In 1978 seven states and the District of Columbia were being required to continue their high 1972 State funding level, but these States were not receiving adequate Federal funds to meet the 80% Federal matching requirement. The Committee acted to correct this deficiency. Over the last five years, as the funding level has risen, only two States and the District of Colubmia have continued to need this additional assistance. As funding levels continue to rise, the need for additional assistance under Section 110(b)(2) diminishes. It is the Committee's hope that over the next three years that funding for this program will attain a level which will make it unnecessary for the two States and the District of Columbia to continue to need this assistance. Table 1 presents the allocation for each State under Title I of this Act using the current law formula and the formula excluding the maintenance of effort allocation. Allocation figures in this table are estimates based upon the FY 83 total appropriation of $943,900,000.

TABLE 1.—FISCAL YEAR 1983—VOCATIONAL REHABILITATION BASIC SERVICES GRANT FORMULA ALLOCATION, ASSUMING TOTAL APPROPRIATIONS OF $943,900,000

[All allocations are estimates rounded to the nearest thousand; a comparison of the currentd law formula and the formula excluding the maintenance of effort allocation]

State	Current law			Total grant, no maintenance of effort allocation	Dollar difference (col. 4 minus col. 3)	Percentage change
	Basic grant	Maintenance of effort funds	Total grant			
Alabama	$21,888,000	$398,000	$22,284,000	$21,977,000	$306,900	−1.38
Alaska	3,133,000	0	3,133,000	3,146,000	13,800	.44
Arizona	10,761,000	0	10,761,000	10,813,000	52,400	.49
Arkansas	12,734,000	0	12,734,000	12,788,000	53,200	.42
California	71,367,000	0	71,367,000	71,703,000	336,400	.47
Colorado	10,383,000	0	10,383,000	10,432,000	49,000	.47
Connecticut	8,846,000	0	8,846,000	8,888,000	42,900	.48
Delaware	3,133,000	0	3,133,000	3,146,000	13,800	.44
District of Columbia	6,287,000	1,725,000	8,012,000	6,307,000	−1,704,600	−21.28
Florida	37,023,000	0	37,023,000	37,208,000	184,900	.50
Georgia	26,093,000	0	26,093,000	26,210,000	116,600	.45
Hawaii	3,133,000	0	3,133,000	3,146,000	13,800	.44
Idaho	4,187,000	0	4,187,000	4,207,000	19,800	.47
Illinois	34,378,000	0	34,378,000	34,539,000	161,500	.47
Indiana	23,199,000	0	23,199,000	23,297,000	97,300	.42
Iowa	11,183,000	0	11,183,000	11,233,000	50,400	.45
Kansas	8,882,000	0	8,882,000	8,922,000	39,500	.45

TABLE 1.—FISCAL YEAR 1983—VOCATIONAL REHABILITATION BASIC SERVICES GRANT FORMULA ALLOCATION, ASSUMING TOTAL APPROPRIATIONS OF $943,900,000—Continued

[All allocations are estimates rounded to the nearest thousand; a comparison of the currentld law formula and the formula excluding the maintenance of effort allocation]

State	Current law			Total grant, no maintenance of effort allocation	Dollar difference (col. 4 minus col. 3)	Percentage change
	Basic grant	Maintenance of effort funds	Total grant			
Kentucky	19,265,000	0	19,265,000	19,344,000	78,800	.41
Louisiana	21,938,000	0	21,938,000	22,029,000	91,000	.41
Maine	6,053,000	0	6,053,000	6,079,000	25,600	.42
Maryland	14,249,000	0	14,249,000	14,314,000	65,600	.46
Massachusetts	22,357,000	0	22,357,000	22,454,000	97,500	.44
Michigan	32,880,000	0	32,880,000	33,021,000	141,000	.43
Minnesota	16,282,000	0	16,282,000	16,352,000	70,100	.43
Mississippi	16,143,000	0	16,143,000	16,207,000	64,600	.40
Missouri	22,169,000	0	22,169,000	22,263,000	93,500	.42
Montana	3,581,000	0	3,581,000	3,598,000	16,300	.46
Nebraska	6,256,000	0	6,256,000	6,284,000	28,700	.46
Nevada	3,133,000	0	3,133,000	3,146,000	13,800	.44
New Hampshire	4,023,000	0	4,023,000	4,041,000	17,400	.43
New Jersey	22,904,000	0	22,904,000	23,010,000	106,300	.46
New Mexico	6,846,000	0	6,846,000	6,874,000	28,200	.41
New York	59,828,000	0	59,828,000	60,113,000	284,300	.48
North Carolina	29,898,000	0	29,898,000	30,026,000	127,800	.43
North Dakota	3,133,000	0	3,133,000	3,146,000	13,800	.44
Ohio	44,548,000	0	44,548,000	44,735,000	186,700	.42
Oklahoma	14,000,000	0	14,000,000	14,059,000	58,200	.42
Oregon	9,990,000	0	9,990,000	10,034,000	44,200	.44
Pennsylvania	48,933,000	0	48,933,000	49,145,000	211,400	.43
Puerto Rico	26,749,000	0	26,749,000	26,853,000	103,400	.39
Rhode Island	3,998,000	0	3,998,000	4,015,000	17,300	.43
South Carolina	16,949,000	0	16,949,000	17,021,000	71,600	.42
South Dakota	3,430,000	0	3,430,000	3,445,000	14,800	.43
Tennessee	23,525,000	0	23,525,000	23,625,000	100,300	.43
Texas	57,755,000	0	57,755,000	58,013,000	258,500	.45
Utah	6,968,000	0	6,968,000	7,001,000	33,100	.47
Vermont	3,133,000	0	3,133,000	3,146,000	13,800	.44
Virginia	21,611,000	0	21,611,000	21,707,000	96,600	.45
Washington	13,792,000	0	13,792,000	13,856,000	63,700	.46
West Virginia	10,322,000	2,026,000	12,347,000	10,364,000	−1,983,700	−16.07
Wisconsin	20,448,000	0	20,448,000	20,534,000	86,200	.42
Wyoming	3,133,000	0	3,133,000	3,146,000	13,800	.44
American Samoa	256,000	0	256,000	257,000	1,000	.40
Guam	903,000	0	903,000	907,000	3,400	.38
Northern Marianas	160,000	0	160,000	160,000	500	.34
Trust territories	842,000	0	842,000	846,000	3,800	.45
Virgin Islands	762,000	0	762,000	765,000	3,100	.41
U.S. total	939,753,000	4,147,000	943,900,000	943,900,000		

Note: Table prepared by Congressinel Research Service. Allocation based on data obtained froim the Office of Special Education and Rehabilitation Services. Rehabilitation Services Administration. The use of different data or a different formula will result in different State allocations.

Section 113. Client Assistance

This section amends section 112 of the Act to require that each State which receives a Federal allotment for vocational rehabilitation services have in place a client assistance program by September 30, 1985. Client assistance programs serve an ombudsman function for the applicants and clients of the State vocational rehabilitation programs and other programs authorized under the Act. The Committee recommends that such a program be established in each State to assure that the rights and welfare of all rehabilitation cli-

ents are safeguarded. The Committee recommends that client assistance programs be established in agencies other than State vocational rehabilitation agencies to help assure autonomy for the client assistance programs and for the handicapped persons requiring assistance. In recognition that many current employees of client assistance programs are experienced in advocating for the rights of disabled persons and that many employees are themselves handicapped, preference is to be given to these employees in staffing new client assistance programs.

The client assistance programs required under this section will perform functions similar to those of the developmental disabilities protection and advocacy systems. Since cost benefit may result and clients may be better served by combining the client assistance programs and the developmental disabilities protection and advocacy systems, the States may elect to combine these two services. If States choose to combine these advocacy functions, such States must assure that funds designated for each program be used for the purposes for which they were appropriated.

The Committee also recommends that in cases where the Client Assistance Program is not the only function of an agency receiving funds under this section, specifically identified staff be assigned responsibilities for Client Assistance Programs. This recommendation is made to encourage the establishment of units which become familiar with the program, structure and staff of the State vocational rehabilitation agency and others providing services under this Act.

Funds for client assistance programs are to be allotted on the basis of relative State population, except that no State is to receive less than $50,000. Territories are to receive $30,000 each. Table 2 shows the allocations for the client assistance programs based on a hypothetical appropriation of $6 million.

Section 114. Innovation and Expansion

The Committee expects that some Innovation and Expansion monies be spent on "programs to maximize the use of technological innovations in meeting the employment training needs of handicapped youth and adults." Likewise, the Committee, through provisions under special demonstration programs (section 136 of the bill) recommends the Commissioner include the use of technology when searching for new ways to enable persons with mental retardation and other disabilities to enter the job market. It has come to the Committee's attention that the application of technology to employment problems facing disabled persons may enable many who were, heretofore, thought to be "unemployable" to take their rightful places in the job market. Therefore, the Committee is pleased to authorize and encourage RSA and NIHR to consider the application of technology as it relates to employment and to share the information they have gained with other projects and also with the rehabilitation community as a whole so that insights gained are used to help clients reach their full employment potential.

TABLE 2.—CLIENT ASSISTANCE PROGRAM—FORMULA ALLOCATION FOR CLIENT ASSISTANCE PROGRAM AS FOUND IN PROPOSED AMENDMENT OF SEC. 112 OF THE REHABILITATION ACT ASSUMING A TOTAL APPROPRIATION OF $6,000,000

(All allocations are estimates rounded to the nearest thousand)

State	Total grant	Percent of total appropriation
Alabama	$90,000	1.5
Alaska	50,000	.8
Arizona	64,000	1.1
Arkansas	53,000	.9
California	556,000	9.3
Colorado	68,000	1.1
Connecticut	72,000	1.2
Delaware	50,000	.8
District of Columbia	50,000	.8
Florida	234,000	3.9
Georgia	128,000	2.1
Hawaii	50,000	.8
Idaho	50,000	.8
Illinois	263,000	4.4
Indiana	126,000	2.1
Iowa	67,000	1.1
Kansas	55,000	.9
Kentucky	84,000	1.4
Louisiana	99,000	1.6
Maine	50,000	.8
Maryland	98,000	1.6
Massachusetts	133,000	2.2
Michigan	211,000	3.5
Minnesota	94,000	1.6
Mississippi	58,000	1.0
Missouri	113,000	1.9
Montana	50,000	.8
Nebraska	50,000	.8
Nevada	50,000	.8
New Hampshire	50,000	.8
New Jersey	170,000	2.8
New Mexico	50,000	.8
New York	404,000	6.7
North Carolina	137,000	2.3
North Dakota	50,000	.8
Ohio	248,000	4.1
Oklahoma	71,000	1.2
Oregon	61,000	1.0
Pennsylvania	273,000	4.5
Puerto Rico	73,000	1.2
Rhode Island	50,000	.8
South Carolina	73,000	1.2
South Dakota	50,000	.8
Tennessee	106,000	1.8
Texas	339,000	5.7
Utah	50,000	.8
Vermont	50,000	.8
Virginia	125,000	2.1
Washington	97,000	1.6
West Virginia	50,000	.8
Wisconsin	109,000	1.8
Wyoming	50,000	.8
American Samoa	30,000	.5
Guam	30,000	.5
Northern Marianas	30,000	.5
Trust territories	30,000	.5
Virgin Islands	30,000	.5

TABLE 2.—CLIENT ASSISTANCE PROGRAM—FORMULA ALLOCATION FOR CLIENT ASSISTANCE PROGRAM AS FOUND IN PROPOSED AMENDMENT OF SEC. 112 OF THE REHABILITATION ACT ASSUMING A TOTAL APPROPRIATION OF $6,000,000—Continued

[All allocations are estimates rounded to the nearest thousand]

State	Total grant	Percent of total appropriation
U.S. total	6,000,000	100.0

Note.: Table prepared by Congressional Research Service. Allocation based on data obtained from the Office of Special Education and Rehabilitation Services, Rehabilitation Services Administration. The use of different data or different assumptions in the allocation process will result in different State allocations.

Section 122. National Institute of Handicapped Research

Section 202 of the Act is amended to require that the Director of the National Institute of Handicapped Research (NIHR) be an individual with substantial experience in rehabilitation and in research administration. The Committee finds that the responsibilities of the Director include all aspects of rehabilitation research and that extensive programmatic and administrative experience is required to carry out the functions of the position.

The Committee wishes to emphasize the need for pediatric rehabilitation research and to recommend that a research and training center focusing on pediatric rehabilitation be established at the University of Connecticut. The Committee also recommends that a research and training center be established at the University of Hawaii to address the special rehabilitation needs of the Pacific Basin region.

The Committee requests the NIHR to conduct as soon as possible a conference which examines current knowledge and service practices in relation to the rehabilitation of persons with Down's syndrome. The conference should cover the areas of psychological and social adjustment, skills, training, employment, independent living, and parenting of Down's syndrome individuals.

Section 123. Research Projects

The Committee bill provides the Director of the National Institute of Handicapped Research with greater discretion regarding a number of aspects of the rehabilitation research and training center program. Current regulations and practice have proved far too limiting and cumbersome and have impeded the effectiveness of the research and training center program. The Department's competitive system for Research and Training Centers has resulted in these Centers being only related to a single area of disability and a single research focus. Many medical, mental retardation, and vocational research and training centers have historically focused on rehabilitation techniques of many types applied to a number of handicapping conditions. While it is true that it is important to have centers focused on one disability or one rehabilitation technique, it is also important and necessary to have comprehensive centers. The Committee measure clarifies that Research and Training Centers shall include both comprehensive centers concerned with rehabilitation techniques applicable to a number of disabil-

ities and centers focusing on a single disability or rehabilitation technique.

The Committee bill also enables the Director of the National Institute of Handicapped Research to renew grants without formal competition, but with an appropriate evaluation and peer review, including site visits. The Committee does not intend this authority to be used for the purpose of eliminating competition. The Committee endorses the concept of formal competition for all grants, but there are certain circumstances which justify renewals of meritorious projects without formal competition. These circumstances may include situations such as the one which occurred in 1981 where new competitive awards were not made in a timely fashion and centers faced gaps in funding. Also, centers which lose in competition, though having a meritorious project, need some time to be phased out in order to ease the personal and economic problems of employees who would otherwise be abruptly terminated. Finally, the Director may wish to maintain some investment in the productivity of a center in which a major investment has already been made, but where a meritorious application for that center does not rank as high as that of one or two competitors or funds are too limited to support all three programs.

Section 204 of the Act is amended to authorize the Director of the NIHR to use discretionary research funds to conduct a new rehabilitation research program. The program is to focus on innovative research interventions which have high potential payoff for the rehabilitation of handicapped individuals. The Committee finds the Director requires this funding, not to exceed 5 percent of the research funding available annually under section 204 of the Act, to respond in a flexible and timely manner to new opportunities in the rehabilitation research field.

Section 132. Vocational Training

The Committee measure amends the vocational training authority to require that projects receiving grants awarded pursuant to this authority shall not be continued for more than two years unless the project meets standards relating to employment and earnings established by the Commissioner or unless the Commissioner determines that acceptable remedial measures have been taken by the grantee. The Committee bill includes this provision to ensure that individuals who enter training enhance their opportunities for productive employment as a result of that training. Standards for measuring program effectiveness should take into account economic factors in the area to be served by the program and the characteristics of the handicapped individuals to be served. If these standards are achieved, federal objectives will have been met. This is an important step in achieving more effective program management.

Section 133. Training

One of the most essential elements to the success of the State/Federal rehabilitation effort is the availability of qualified personnel. In order to assure the availability of skilled manpower needed for the expansion and improvement of vocational rehabilitation services for the disabled, training grants are made to (1) increase

the number of personnel qualified to provide rehabilitation services to disabled persons, and (2) maintain and upgrade the skills of employed personnel.

Rehabilitation depends upon well-prepared professionals to deliver a wide range of services. Whether the service is medical, psychological, recreational, social or vocational, the quality of service provided is directly related to the skill of the provider. The Committee notes that the training program funded under section 304 of the Act has been reduced at a time when, by all indications, the need for qualified rehabilitation personnel continues to increase.

The Committee requires documentation of rehabilitation personnel needs, updated annually, to justify the allocation of training funds. Currently, there is no method to systematically distribute these grants according to findings of manpower shortages. To assure that training funds are spent on specific areas of personnel shortages, as obviously determined, the Committee amends section 304 of the Act in two ways. First, the ambiguity of the current wording which calls for "balance" in funding various areas—which, to a great extent, has undermined the intent of section 304 to put resources where they are most needed—has been changed to specify targeting in areas of personnel shortage. Second, the Commissioner's present responsibilities to evaluate manpower training needs and to develop a long-term plan to meet personnel shortages has been augmented. The amendment requires the Commissioner to provide to the Congress annually, at the time of the Department budget submission, a report of the findings of personnel needs (including inservice and continuing education needs), that justify the allocation of present and proposed training funds.

In addition to consulting the various training disciplines, state agencies, and others, in regard to training needs, the Committee expects the Commissioner to develop objective procedures for gathering and assessing the information it receives. The Committee further expects that funds for the study and evaluation of manpower needs in fiscal year 1984 will not be drawn from rehabilitation training program allocations; rather, the source for the necessary funding should be the salaries and expenses accounts of the Department.

The committee amendments to section 304 include a new emphasis on the need for "qualified" rehabilitation personnel. The Committee recognizes the importance of appropriate training of personnel and the continual upgrading and improvement of their skills in light of new and developing technologies, as well as new emphasis on serving more severely handicapped individuals. The need for quality rehabilitation service delivery provided by a broad range of qualified personnel has never been greater. Section 304 of the Act has been amended to require that the Commissioner determine training needs for qualified personnel and that training grants and contracts be awarded for the purpose of assisting in increasing the numbers of qualified personnel. The Committee's understanding of the word "qualified" as used in this amendment is certification and/or licensure by the appropriate state and/or national certifying board including but not limited to, the American Board of Certification in Orthotics and Prosthetics, the American Board of Physical Medicine and Rehabilitation, the American Occupational

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Therapy Association, the American Speech-Language Hearing Association, and the National Therapeutic Recreation Society of the National Recreation and Parks Association and the Commission of Rehabilitation Certification. Inclusion of this amendment will help to provide specific standards for every member of the rehabilitation team, thereby improving rehabilitation clients' opportunity of receiving quality services from a broad range of qualified personnel. This provision, however is not intended to interfere with state civil service requirements.

The Committee expects that some training funds are to be used for personnel trained to staff independent living centers and client assistance programs. In addition, training in the requirements of Section 504 and implementing regulations is to be provided to all rehabilitation counselors.

Section 136. Special Demonstration Projects

Section 311 of the Act is amended to transfer responsibility for spinal cord injury projects from the Commissioner of RSA to the Director of the NIHR. During recent years, both RSA and NIHR have funded spinal cord injury projects under sections 204(b)(3) and 311. These projects have been shown to be effective and cost beneficial additions to the basic vocational rehabilitation service system. The Committee now intends that the spinal cord injury effort should focus more on specific research regarding individual treatment and rehabilitation methods. It is therefore appropriate to have such programs administered by the NIHR whose mission is the management and coordination of all rehabilitation research activity. These programs should continue to be seen as important interagency initiatives and should be subject to the oversight of the Interagency Committee chaired by the Director of the NIHR.

Section 311 of the Act is also amended to authorize special projects for handicapped youths and mentally retarded individuals to help such individuals enter the labor force. The Committee finds that recent improvements in training and job modification techniques are enabling some mentally retarded persons to achieve higher employment objectives than was previously thought possible. The Committee intends that these techniques be further developed and disseminated. Handicapped youths can achieve excellent rehabilitation results if rehabilitation services are begun when the youths leave the school system. The Committee recommends that innovative methods be developed to assure that handicapped youths are provided rehabilitation services in the most efficient and cost effective manner.

Section 141. National Council on the Handicapped

Section 400 of the Act is amended to establish the National Council on the Handicapped as an independent agency within the Federal Government. The Committee finds that under the Department of Education the Council has not been able to meet congressional intent for an independent body to advise on all matters in the Government affecting handicapped individuals. Its placement within the Department of Education has required policy clearance and bureaucratic compliance with Department policies and procedures. It is the intent of the Committee that the Council function

independently of administrative constraints so that it can advise the President and the Congress as objectively and as freely as possible.

The Committee also notes that Section 400 of the Act provides staggered terms for Council members (i.e., one-third of the members terms expire each year). This was done to enhance the continuity of the council's work. The Committee continues to believe such a provision is necessary and finds that dismissal of almost the entire Council membership at one time is seriously disruptive to the Council's work for disabled Americans.

While some flexibility should be provided the appointing authority, the Committee will carefully consider such changes in law as may be necessary should further disruption of the Council's work be caused by failure to comply with Committee's intent in this manner.

Section 151. Architectural and Transportation Barriers Compliance Board

Section 151 of the bill reauthorizes the Architectural and Transportation Barriers Compliance Board through fiscal year 1984 at the current authorization level of such sums as may be necessary but not to exceed $3,000,000. The Committee intends as a part of oversight hearings to be held on Title V of the Act to reexamine the functioning of the Board in the coming year with regard to meeting its statutory mandate. At the conclusion of those hearings, the Committee will be in a position to consider a multiple year reauthorization for the Board. In addition, the Committee wishes to clarify and restate its intent that the Board was established as an independent regulatory agency designed to execute its mandated statutory functions independent from partisan political pressures. This independent status is essential due to the Board's unique status of enforcing architectural barriers standards against the federal government. A June 6, 1980 General Accounting Office Report (FPCD–80–1980) underscores the importance of maintaining the Board's independent status if the Board is to effectively meet its mandated obligations.

Section 162. Projects with Industry

Section 621 of the Act is amended to authorize projects with industry as an on-going service program to require program performance standards, and to allow State vocational rehabilitation agencies to apply for project funds. State vocational rehabilitation agencies are to be eligible for project funding because a closer relationship between the State agencies and the projects with industry is needed to assure a full range of services to severely handicapped individuals. State vocational rehabilitation agencies have the unique capacity to provide the specialized help required to place the severely handicapped in jobs in industry and can assist these individuals in receiving other support services often necessary to maintain employment. In this way, collaboration between projects, State agencies, and industrial employers can be enhanced and maintained.

Performance standards for projects with industry are to be developed and projects meeting these standards are to have their fund-

ing continued. The Committee bill includes the provision that no standards can be established under these provisions without the approval of the National Council on the Handicapped. Congress finds projects with industry to be a generally effective means of securing training and employment for some handicapped persons and intends that funding for quality projects be maintained so that these projects can be strengthened and expanded. The Committee also recommends that, to the extent practicable, funding for new projects be distributed in such a way as to provide at least one PWI award to each State receiving funds under this Act.

Section 171. Evaluation of Independent Living Centers

Section 711 of the Act is amended to set forth specific criteria by which standards for evaluation of the Independent Living Center program will be evaluated pursuant to Section 103 of this bill. The Committee has included several provisions, namely a requirement that no standards can be established under these provisions without the approval of the National Council on the Handicapped and that the Commissioner obtain recommendations of those individuals involved with Independent Living Centers, to assure that standards developed by the Commissioner be objective. The Committee feels that it is essential that individuals involved with independent living centers provide input into this process because they are an important source of information regarding the needs of individuals receiving independent living services.

In addition, the Committee bill contains a modification of a provision in the Continuing Resolution for Fiscal Year 1983 requiring that all Independent Living Centers currently receiving assistance under this program continue to receive assistance until the final evaluation report required by Section 14 has been submitted to the Congress. The Committee has taken this step to protect existing institutions under the program because of apparent efforts on the part of the Department to change the focus of the Independent Living Center program.

Section 172. Authorization of Appropriation for Independent Living Programs

The Committee bill amends the authorization of appropriation for Title VII independent living programs. The current provision makes one authorization of appropriations for the State allotment program (part A), independent living centers (part B), and independent living services for older blind individuals (part C). The Committee bill establishes a separate authorization for each part. Such sums as may be necessary are authorized for part A and part C. These parts have never been funded. Funds for part B independent living centers, which are currently funded, are authorized at $21 million each year through fiscal year 1986.

TITLE II—DEVELOPMENTAL DISABILITIES

Title II amends the Developmental Disabilities Assistance and Bill of Rights Act to increase the total authorization of appropriations for the developmental disabilities programs by 4.9 percent for fiscal year 1984. The current authorization levels for fiscal year

1984 allow virtually no increase in funding over the fiscal year 1983 appropriations levels. The Committee will consider multi-year authorization for the DD Program in 1984 when it reviews this program's activities.

IV. Budget Estimate

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1340.
2. Bill title: Rehabilitation Amendments of 1983.
3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on May 18, 1983.
4. Bill purpose: The primary purpose of this bill is to amend and extend the authorizations for the programs under the Rehabilitation Act through 1986. This bill is subject to subsequent appropriations action.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1984	1985	1986	1987	1988
Rehabilitation Act estimated authorization levels:					
Basic grants to States for rehabilitation services	993.9	1,047.6	1,103.0	.....	.....
Innovation and expansion grants	13.1	14.1	14.7	.....	.....
National Institute of Handicapped Research	36.0	38.0	40.0	.....	.....
Discretionary grants for special projects and services	46.3	49.5	52.2	.....	.....
Training	22.0	26.8	28.3	.....	.....
Independent living	21.0	21.0	21.0	.....	.....
Architectural and Transportation Barriers Compliance Board	3.0	.....	.....	.....	.....
Helen Keller National Center	3.7	3.9	4.1	.....	.....
Subtotal, Rehabilitation Act:					
Estimated authorization level	1,139.0	1,200.9	1,263.3	.....	.....
Estimated outlays	945.4	1,190.3	1,252.7	214.8	.....
Developmental disabilities:					
Authorization level	3.0	.....	.....	.....	.....
Estimated outlays	1.8	1.2	(1)	.....	.....
Total authorization level	1,142.0	1,200.9	1,263.3	.....	.....
Total estimated outlays	947.2	1,191.5	1,252.7	214.8	.....

[1] Less than $50,000.

Note: The costs of this bill fall within functions 500 and 750.

Basis of estimates:

Rehabilitation Act.—The authorization levels for the basic grants to states for rehabilitation services, as well as client assistance grants, the National Institute for Handicapped Research, training grants, demonstration projects, recreation grants, grants to business and industry, independent living centers, and the Helen Keller National Center are those specifically stated in the bill for 1984 through 1986. The authorization for the Architectural and Transportation Barriers Compliance Board is the level stated for 1984.

The innovation and expansion grants, certain other grants under Title III and Title VII for project grants, and the independent living grants are authorized at such sums through 1986. The authorization levels for these grants reflect the most recent appropri-

ation amount for each program inflated by the CBO estimate of price increases for these programs.

The bill also authorizes the Secretary to conduct two studies. The cost of these two studies could range between $160 thousand to $400 thousand assuming two to five person years required.

The 1984 authorization level for development disability grants reflects the increase in the 1984 authorization level. This program is currently authorized under the Omnibus Reconciliation Act of 1981.

Estimated total outlays assume full appropriation of authorization levels. The spending rate reflects the current program spending rates.

6. Estimated cost to State and local governments:

Rehabilitation Act.—The basic grants to states for vocational rehabilitation services requires a 20 percent state match of federal funds. In 1983, the federal grant level was $944 million with the required state match of $236 million. Most states exceed the minimum matching requirement but the level of overmatching varies greatly among states. Total overmatching for 1983 is not yet available. In 1982, however, states overmatched by $74 million.

The 1984 authorized level in this bill for basic state grants is $993.9 million. This would require state matching of $248 million, $12 million over the 1983 state minimum matching requirement. Many states, however, would not have to increase current expenditures to meet the minimum since they are currently overmatching.

This bill requires states to establish client assistance programs independent of the state rehabilitation agency by September 1985. Currently 29 states have client assistance programs within their rehabilitation agencies which are funded under discretionary federal grants totalling $1.7 million in 1983. In order to facilitate the establishment of these programs, this bill authorizes $6 million for 1984 to be distributed on a formula basis to states. It is not known whether additional state resources would be required above the federal grant to operate these programs. If federal funds were not appropriated, states would have to absorb the entire program costs.

The other Rehabilitation Act grants authorized in the bill are either given on a competitive basis to state and local governments, non-profit organizations, institutions of higher education, business and industry, or to specific research organizations, national centers or commissions. No data is available on how many of these awards go directly to state and local governments.

7. Estimate comparison: None.

8. Previous CBO estimate: On May 24, 1983 CBO prepared a cost estimate on S. 1340 as ordered reported from Committee. That estimate showed the Architectural and Transportation Barriers Compliance Board extended for three years rather than one year.

On May 12, 1983 CBO prepared a cost estimate on H.R. 2461, the Rehabilitation Act Amendments of 1983 as ordered reported from the House Education and Labor Committee. H.R. 2461 included higher funding levels for the Rehabilitation Act programs and extended the basic grants to states through 1988. That bill also included $1.35 billion in 1984 authorizations for other programs under the Education and Labor Committee's jurisdiction.

9. Estimate prepared by: Deborah Kalcevic.

10. Estimate approved by: C. G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

V. Tabulation of Votes Cast in Committee

The motion to favorably report the bill to the Senate was passed unanimously by voice of the Committee.

VI. Regulatory Impact Statement

The Committee has determined that there will be minimal increase in regulatory burden imposed by this bill. The revisions in the Client Assistance Program and the development and publication of standards for Projects with Industry and Independent Living Centers will require regulatory change. Otherwise, the provisions under this bill will require no new regulations from the Executive Branch.

VII. Change In Existing Law

In compliance with rule XXVI paragraph 12 of the Standard Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be ommitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

REHABILITATION ACT OF 1973

(As amended by Public Law 93-516, Public Law 94-230, and Public Law 95-602)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Rehabilitation Act of 1973":

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Sec. 2. Declaration of purpose.
Sec. 3. Rehabilitation Services Administration.
Sec. 4. Advance funding.
Sec. 5. Joint funding.
Sec. 6. Consolidated rehabilitation plan.
Sec. 7. Definitions.
Sec. 8. Allotment percentage.
Sec. 9. Audit.
Sec. 10. Nonduplication.
Sec. 11. Application of other laws.
Sec. 12. Administration of the Act.
Sec. 13. Reports.
Sec. 14. Evaluation.
Sec. 15. Information clearinghouse.
Sec. 16. Transfer of funds.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—General Provisions

Sec. 100. Declaration of purpose; authorization of appropriations.
Sec. 101. State plans.
Sec. 102. Individualized written rehabilitation program.
Sec. 103. Scope of vocational rehabilitation services.

Sec. 104. Non-Federal share for construction.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

Sec. 110. State allotments.
Sec. 111. Payments to States.
Sec. 112. Client assistance[.] *Program.*

PART C—INNOVATION AND EXPANSION GRANTS

Sec. 120. State allotments.
Sec. 121. Payments to States.

PART D—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

Sec. 130. Vocational rehabilitation services grants.
Sec. 131. Evaluation.

TITLE II—RESEARCH

Sec. 200. Declaration of purpose.
Sec. 201. Authorization of appropriations.
Sec. 202. National Institute of Handicapped Research.
Sec. 203. Interagency committee.
Sec. 204. Research.

TITLE III—SUPPLEMENTARY SERVICES AND FACILITIES

PART A—MISCELLANEOUS PROGRAMS

Sec. 300. Declaration of purpose.
Sec. 301. Grants for construction of rehabilitation facilities.
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Sec. 303. Loan guarantees for rehabilitation facilities.
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Sec. 404. Administrative powers of National Council.
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Sec. 503. Employment under Federal contracts.
Sec. 504. Nondiscrimination under Federal grants.
Sec. 505. Remedies and attorneys' fees.
Sec. 506. Secretarial responsibilities.
Sec. 507. Interagency Coordinating Council.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Sec. 601. Short title.

PART A—COMMUNITY SERVICE EMPLOYMENT PROGRAMS FOR HANDICAPPED INDIVIDUALS

Sec. 611. Establishment of program.
Sec. 612. Administration.
Sec. 613. Participants not Federal employees.
Sec. 614. Interagency cooperation.
Sec. 615. Equitable distribution of assistance.
Sec. 616. Definitions.
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PART B—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Sec. 621. Projects with industry.
Sec. 622. Business opportunities for handicapped individuals.
Sec. 623. Authorization of appropriations.

TITLE VII—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

PART A—COMPREHENSIVE SERVICES

Sec. 701. Purpose.
Sec. 702. Eligibility.
Sec. 703. Allotments.
Sec. 704. Payments to States from allotments.
Sec. 705. State plans.

PART B—INDEPENDENT LIVING CENTERS

Sec. 711. Grant program established.

PART C—INDEPENDENT LIVING SERVICES FOR OLDER BLIND

Sec. 721. Service program established.

GENERAL PROVISIONS

Sec. 731. Protection and advocacy of individual rights.
Sec. 732. Employment of handicapped individuals.

PART E—AUTHORIZATIONS

Sec. 731. Authorization of appropriations.

DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to develop and implement, through research, training, services, and the guarantee of equal opportunity, comprehensive and coordinated programs of vocational rehabilitation and independent living.

REHABILITATION SERVICES ADMINISTRATION

SEC. 3. (a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the "Commissioner") appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and Part A of title VI and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Com-

missioner. Any reference in this Act to duties to be carried out by the Commissioner shall be considered to be a reference to duties to be carried out by the Secretary acting through the Commissioner. In carrying out any of his functions under this Act, the Commissioner shall be guided by general policies of the National Council on the Handicapped established under Title IV of this Act.

(b) The Secretary shall take whatever action is necessary to insure that funds appropriated pursuant to this Act, as well as unexpended appropriations for carrying out the Vocational Rehabilitation Act (29 U.S.C. 31–42), are expended only for the programs, personnel, and administration of programs carried out under this Act.

ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding, that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

JOINT FUNDING

SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project, by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

CONSOLIDATED REHABILITATION PLAN

SEC. 6. (a) In order to secure increased flexibility to respond to the varying needs and local conditions within the State, and in order to permit more effective and interrelated planning and operation of its rehabilitation programs, the State may submit a consolidated rehabilitation plan which includes the State's plan under section 101(a) of this Act and its program for persons with development disabilities under the Development Disabilities Services and Facilities Construction Amendments of 1970: *Provided,* That the

agency administering such State's program under such Act concurs in the submission of such a consolidated rehabilitation plan.

(b) Such a consolidated rehabilitation plan must comply with, and be administered in accordance with, all the requirements of this Act and the Developmental Disabilities Services and Facilities Construction Amendments of 1970. If the Secretary finds that all such requirements are satisfied, he may approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein, or he may advise the State to submit separate plans for such programs.

(c) Findings of noncompliance in the administration of an approved consolidated rehabilitation plan, and any reduction, suspensions, or terminations of assistance as a result thereof, shall be carried out in accordance with the procedures set forth in subsection (c) and (d) of section 101 of this Act.

DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of such buildings, and the term "cost of construction" includes architects' fees and acquisition of land in connection with construction but does not include the cost of offsite improvements.

(2) The term "criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding, that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

(3) The term "designated State unit" means (A) any State agency unit required under section 101(a)(2)(A) of this Act, or (B) in cases in which no such unit is so required, the State agency described in section 101(a)(B)(i) of this Act.

(4) The term "establishment of a rehabilitation facility" means the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for such purposes (subject, however, to such limitations as the Secretary may determine, in accordance with regulations he shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of such facilities), and may include such additional equipment and staffing as the Commissioner considers appropriate.

(5) The term "evaluation of rehabilitation potential" means, as appropriate in each case;

(A) a preliminary diagnostic study to determine that the individual has a substantial handicap to employment, and that vocational rehabilitation services are needed;

(B) a diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychiatric, psychological, vocational,

educational, cultural, social, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including, to the degree needed, an evaluation of the individual's personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) an appraisal of the individual's patterns of work behavior and ability to acquire occupational skill, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) any other goods or services provided for the purpose of ascertaining the nature of the landscape and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services;

(E) referral;

(F) the administration of these evaluation services; and

(G)(i) the provision of vocational rehabilitation services to any individual for a total period not in excess of eighteen months for the purpose of determining whether such individual is a handicapped individual, a handicapped individual for whom a vocational goal is not possible or feasible (as determined in accordance with section 102(c)), or neither such individual; and (ii) an assessment, at least once in every ninety-day period during which such services are provided, of the results of the provision of such services to an individual to ascertain whether any of the determinations described in subclause (i) may be made.

(6) The term "Federal share" means 80 per centum, except that it shall mean 90 per centum for the purposes of part C of title I of this Act and as specifically set forth in section 301(b)(3): *Provided,* That with respect to payments pursuant to part B of title I of this Act to any State which are used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301(b)(3) applicable with respect to that State and that, for the purpose of determining the non-Federal share with respect to any State, expenditures by a political subdivision thereof or by a local agency shall, subject to such limitations and conditions as the Secretary shall by regulation prescribe, be regarded as expenditures by such State.

(7)(A) Except as otherwise provided in subparagraph (B), the term "handicapped individual" means any individual who (i) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (ii) can reasonably be expected to benefit in terms of employability from vocational rehabilitation services provided pursuant to titles I and III of this Act.

(B) Subject to the second sentence of this subparagraph, the term "handicapped individual" means, for purposes of titles IV and V of this Act, any person who (i) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (ii) has a record of such an impairment, or (iii) is regarded as having such an impairment. For purposes of sections 503 and 504 as such sections relate to employment, such term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

(C) The term "individual with respect to a handicapped individual means, for the purposes of Title I, any individual who has attained 16 years of age.

(8) The term "local agency" means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations) which has an agreement with the State agency designated pursuant to section 101(a)(1) to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 101. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from utilizing another local public or nonprofit agency to provide vocational rehabilitation services: *Provided,* That such an arrangement is made part of the agreement specified in this paragraph.

(9) The term "nonprofit", when used with respect to a rehabilitation facility, means a rehabilitation facility owned and operated by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

(10) The term "public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to--

(A) the enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the National Guard or the Armed Forces.

(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees.

(D) firefighting, fire prevention, or emergency rescue missions.

(11) The term "rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals: (A) vocational rehabilitation services which shall include, under one management, medical, psychiatric,

psychological, social, and vocational services. (B) testing, fitting, or training in the use of prosthetic and orthotic devices. (C) prevocational conditioning or recreational therapy, (D) physical and occupational therapy, (E) speech and hearing therapy, (F) psychological and social services, (G) evaluation of rehabilitation potential. (H) personal and work adjustment, (I) vocational training with a view toward career advancement (in combination with other rehabilitation services), (J) evaluation or control of specific disabilities, (K) orientation and mobility services to the blind, and (L) extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market, except that all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provisions of such services in the State.

(12) The term "Secretary", except when the context otherwise requires, means the Secretary of [Health, Education, and Welfare] *Education.*

(13) The term "severe handicap" means the disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, renal failure, respiratory or pulmonary dysfunction, and any other disability specified by the Secretary in regulations he shall prescribe.

(14) The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands, and for the purposes of American Samoa and the Trust Territory of the Pacific Islands, the appropriate State agency designated as provided in section 101(a)(1) shall be the Governor of American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands, as the case may be.

(15) The term "vocational rehabilitation services" means those services identified in section 103 which are provided to handicapped individuals under this Act.

ALLOTMENT PERCENTAGE

SEC. 8. (a)(1) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33 per centum, and (B) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be 75 per centum.

(2) The allotment percentages shall be promulgated by the Secretary between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for

each of the two fiscal years in the period beginning on the July 1 next succeeding such promulgation.

(3) The term "United States" means (but only for purposes of this subsection) the fifty States and the District of Columbia.

(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

AUDIT

SEC. 9. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

NONDUPLICATION

SEC. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act, except that this section shall not be construed to limit or reduce fees for services rendered by rehabilitation facilities.

APPLICATION OF OTHER LAWS

SEC. 11. The provisions of the Act of December 5, 1974 (Public Law 93-510) and of title V of the Act of October 15, 1977 (Public Law 95-134) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.

ADMINISTRATION OF THE ACT

SEC. 12. (a) In carrying out the purposes of this Act, the Commissioner may—

(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

(2) provide short-term training and technical instruction;

(3) conduct special projects and demonstrations;

(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this Act; and

(5) provide staff and other technical assistance to the National Council on the Handicapped.

(b) In carrying out his duties under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and may pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

(c) The Commissioner may promulgate such regulations as he considers appropriate to carry out his duties under this Act.

(d) There are authorized to be appropriated to carry out this section such sums as may be necessary.

REPORTS

SEC. 13. Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities carried out under this Act. *The Commissioner shall annually collect information on each client whose case is closed in the preceding fiscal year and include the information in the report required by this section. The information shall set forth a complete count of such cases in a manner permitting the greatest possible cross-classification of data. The data elements shall include, but not be limited to, age, sex, race, ethnicity, education, type of disability, severity of disability, key rehabilitation process dates, earnings at time of entry into program and at closure. The Commissioner shall take whatever action is necessary to assure that the identity of each client for which information is supplied under this subsection is confidential.* Such annual reports shall *also* include statistical data reflecting services and activities provided individuals during the preceding fiscal year.

EVALUATION

SEC. 14. (a) The Secretary shall evaluate the impact of all programs authorized by this Act, their general effectiveness in achieving stated goals, and their effectiveness in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. *The Secretary shall establish and use standards for the evaluation required by this subsection. The standards shall, to the extent feasible, for all appropriate programs include standards relating to the increases in employment and earnings taking into account economic factors in the area to be served by the program and the characteristics of the handicapped individuals to be served.* Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(b) In carrying out evaluations under this section, the Secretary shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

(c) The Secretary shall annually publish summaries of the results of evaluative research and evaluation of program and project impact and effectiveness, the full contents of which shall be available to the Congress and the public.

(d) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(e) Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request, by the departments and agencies of the executive branch.

(f) Not later than September 30, 1984, the Secretary shall evaluate, in accordance with the standards required under section 621(a)(3) and section 711(e) of the Act—

(1) the effectiveness of the projects with industry program authorized under section 621 of this Act; and

(2) the effectiveness of, and alternative means of financing for, Independent Living Services and Centers authorized by section 711 of this Act

The Secretary shall prepare and submit to the Congress interim reports every 90 days in each such year and a final report of the evaluations required by this subsection not later than December 31, 1984.

[(f)] (g) There are authorized to be appropriated to carry out this section such sums as may be necessary.

INFORMATION CLEARINGHOUSE

SEC. 15. (a) The Secretary may establish a central clearinghouse for information and resource availability for handicapped individuals which shall provide information and data regarding (1) the location, provision, and availability of services and programs for handicapped individuals, (2) research and recent medical and scientific developments bearing on handicapping conditions (and their prevention, causes, amelioration, cures), and (3) the current numbers of handicapped individuals and their needs. The clearinghouse shall also provide any other relevant information and data which the Secretary considers appropriate.

(b) The Commissioner may assist the Secretary to develop within the department of Health, Education, and Welfare a coordinated system of information and data retrieval, which will have the capacity and responsibility to provide information regarding the information and data referred to in subsection (a) of this section to the Congress public and private agencies and organizations, handicapped individuals and their families, professionals in fields serving such individuals, and the general public.

(c) Any office established to carry out the provisions of this section shall be known as the "Office of Information and Resources for the Handicapped".

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(d) There are authorized to be appropriated to carry out this section such sums as may be necessary.

TRANSFER OF FUNDS

SEC. 16. No funds appropriated under this Act for any research program or activity may be used for any purpose other than that for which the funds were specifically authorized.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

SEC. 100. (a) The purpose of this title is to authorize grants to assist States to meet the current and future needs of handicapped individuals, so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities.

[(b)(1) For the purpose of making grants to States under part B of this title to assist them in meeting costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $650,000,000 for the fiscal year ending June 30, 1974, $680,000,000 for the fiscal year ending June 30, 1975, $720,000,000 for the fiscal year ending June 30, 1976, $740,000,000 for the fiscal year ending September 30, 1977, and $760,000,000 for the fiscal year ending September 30, 1978. There is further authorized to be appropriated for such purpose $808,000,000 for the fiscal year ending September 30, 1979, and the amount determined under subsection (c) for the three succeeding fiscal years but in no event shall the amount appropriated be greater than $880,000,000 for the fiscal year ending September 30, 1980, $945,000,000 for the fiscal year ending September 30, 1981, and $972,000,000 for the fiscal year ending September 30, 1982.]

(b)(1) For the purposes of making grants to States under part B of this title to assist them in meeting the costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $993,900,000 for the fiscal year 1984, $1,047,600,000 for the fiscal year 1985, and $1,103,000,000 for the fiscal year 1986.

(2) [For the purpose of allotments under section 120(a)(1), there are authorized to be appropriated $45,000,000 for the fiscal year ending September 30, 1979, $50,000,000 for the fiscal year ending September 30, 1980, $55,000,000 for the fiscal year ending September 30, 1981, and $60,000,000 for the fiscal year ending September 30, 1982. There are futher authorized to be appropriated for such purpose for each such year such additional sums as the Congress may determine to be necessary.] *For the purpose of allotments under section 120(a)(1), there are to be authorized to be appropriated such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.*

(3) For the purpose of making grants to Indian tribes under part D of this title, there are authorized to be appropriated for [the fiscal year ending September 30, 1979, and for each of the three fiscal years thereafter] *each of the fiscal years 1984, 1985, and*

1986, in addition to any other amounts authorized to be appropriated under this section, such sums as may be necessary for such fiscal year, but not more than an amount equal to 1 percent of the amount appropriated for that fiscal year under paragraph (1) of this subsection.

(c)(1) No later than November 15 of each fiscal year (beginning with the fiscal year 1979), the Secretary of Labor shall publish in the Federal Register the percentage change in the price index published for October of the preceding fiscal year and October of the fiscal year in which such publication is made.

(2)(A) If in any fiscal year the percentage change published under paragraph (1) indicates an increase in the price index, then the amount authorized to be appropriated under subsection (b)(1) for the subsequent fiscal year is the amount authorized to be appropriated for the fiscal year in which the publication is made under paragraph (1) increased by such percentage change.

(B) If in any fiscal year the percentage change published under paragraph (1) does not indicate an increase in the price index, then the amount authorized to be appropriated under subsection (b)(1) for the subsequent fiscal year is the amount authorized to be appropriated for the fiscal year in which the publication is made under paragraph (1).

(3) For purposes of this subsection, the term "price index" means the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

STATE PLANS

SEC. 101. (a) In order to be eligible to participate in programs under this title, a State shall submitt to the Commissioner a State plan for vocational rehabilitation services for a three-year period and, upon request of the Commissioner, shall make such annual revisions in the plan as may be necesary. Each such plan shall—

(1)(A) designate a State agency as the sole State agency to administer the plan, or to supervise its administration by a local agency, except that (i) where under the State's law the State Agency for the blind or other agency which provides assistance or services to the adult blind, is authorized to provide vocation rehabilitiation services to such such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provide for the blind (or to supervise the administration of such part by a local agency) and a separate State agency may be designated as the sole State agency with respect to the rest to the State plan. and (ii) the Commissioner, upon the request of a State, may authorize such agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit such agencies to carry out a joint program to provide services to handicapped individuals, and may waive compliance with respect to vocational rehabilitation services furnished under such programs with the requirement of clause (4) of this subsection that the plan be in effect in all political subdivisions of that State;

(B) provide that the State agency so designated to administer or supervise the administration of the State plan, or (if there are two

State agencies designated under subclause (A) of this clause) to supervise or administer the part of the State plan that does not relate to services for the blind shall be (i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, (ii) the State agency administering or supervising the administration of education or vocational education in the State, or (iii) a State agency which includes at least two other major organizational units each of which administers one or more of the major public education, public health, public welfare, or labor programs of the State;

(2) provide, except in the case of agencies described in clause (1)(B)(i)—

(A) that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit which (i) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, and is responsible for the vocational rehabilitation program of such State agency, (ii) has a full-time director, and (iii) has a staff employed on such rehabilitation work of such organizational unit all or substantially all of whom are employed full time on such work; and

(B)(i) that such unit shall be located at an organizational level and shall have an organizational status within such State agency comparable to that of other major organizational units of such agency, or (ii) in the case of an agency described in clause (1)(B)(ii), either that such unit shall be so located and have such status, or that the director of such unit shall be the executive officer of such State agency; except that, in the case of a State which has designated only one State agency pursuant to clause (1) of this subsection, such State may, if it so desires, assign responsibility for the part of the plan under which vocational rehabilitation services are provided for the blind to one organizational unit of such agency, and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of this clause applying separately to each of such units;

(3) provide for financial participation by the State, or if the State so elects, by the State and local agencies to meet the amount of the non-Federal share;

(4) provide that the plan shall be in effect in all political subdivisions, except that in the case of any activity which, in the judgment of the Commissioner, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of handicapped individuals or groups of handicapped individuals the Commissioner may waive compliance with the requirement herein that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by him, but only if the non-Federal share of the cost of such vocational rehabilitation services is met from funds made available by a local agency (including, to the extent permitted by such regulations, funds contributed to such agency by a private agency, organization, or individual);

(5)(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in its administration and supervision, including a description of the method to be used to expand and improve services to handicapped individuals with the most severe handicaps and a description of the method to be used to utilize existing rehabilitation facilities to the maximum extent feasible; and, in the event that vocational rehabilitation services cannot be provided to all eligible handicapped individuals who apply for such services, show (i) the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided and (ii) the outcomes and service goals and the time within which they may be achieved, for the rehabilitation of such individuals, which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first those individuals with the most severe handicaps and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving handicapped individuals, established in regulations prescribed by the Commissioner; and

(B) provide satisfactory assurances to the Commissioner that the State has studied and considered a broad variety of means for providing services to individuals with the most severe handicaps;

(6)(A) provide for such methods of administration, other than methods relating to the establishment and maintenance of personnel standards, as are found by the Commissioner to be necessary for the proper and efficient administration of the plan (including a requirement that the State agency and facilities in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, section 503); and

(B) provide satisfactory assurances that facilities used in connection with the delivery of services assisted under the plan will comply with the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968;

(7) contain (A) provisions relating to the establishment and maintenance of personnel standards, which are consistent with any State licensure laws and regulations, including provisions relating to the tenure, selection, appointment, and qualifications of personnel, (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in the provision of vocational rehabilitation services, but the Commissioner shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provision, and (C) provisions relating to the establishment and maintenance of minimum standards to assure the availability of personnel, to the maximum extent feasible, trained to communicate in the client's native language or mode of communication;

(8) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) of subsection (a) of section 103, and the remainder of such services specified in such section after full consideration of eligibility for similar benefits under any other program, except that, in the case of the vocational rehabilitation services specified in clauses (4) and (5) of

subsection (a) of such section, such consideration shall not be required where it would delay the provision of such services to any individual;

(9) provide that (A) an individual written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for vocational rehabilitation services under this Act, (B) such services will be provided under the plan in accordance with such program, and (C) records of the characteristics of each applicant will be kept, specifying, as to those individuals who apply for services under this title and are determined not to be eligible therefor, the reasons for such determinations in such detail as required by the Commissioner in order for him to analyze and evaluate annually the reasons for and numbers of such ineligibility determinations as part of his responsibilities under section 13, and that the State agency will at least annually categorize and analyze such reasons and numbers and report this information to the Commissioner and will, not later than 12 months after each such determination, review each such ineligibility determination in accordance with the criteria set forth in section 102;

(10) provide that the State agency will make such reports in such form, containing such information (including the data described in subclause (C) of clause (9) of this subsection, periodic estimates of the population of handicapped individuals eligible for services under this Act in such State, specifications of the number of such individuals who will be served with funds provided under this Act and the outcomes and service goals to be achieved for such individuals in each priority category specified in accordance with clause (5) of this subsection, and the service costs for each such category), and at such time as the Commissioner may require to carry out his functions under this title, and comply with such provisions as he may find necessary to assure the correctness and verification of such reports;

(11) provide for entering into cooperative arrangements with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, other programs for handicapped individuals, veterans programs, manpower programs, and public employment offices, and the Social Security Administration, of the Department of Health, Education, and Welfare, the Veterans' Administration, and other Federal, State and local public agencies providing services related to the rehabilitation of handicapped individuals (specifically including arrangements for the coordination of services to individuals eligible for services under this Act, the Education of the Handicapped Act, and the Vocational Education Act);

(12) (A) provide satisfactory assurances to the Commissioner that, in the provision of vocational rehabilitation services, maximum utilization shall be made of public or other vocational or technical training facilities or other appropriate resources in the community; and

(B) provide (as appropriate) for entering into agreements with the operators of rehabilitation facilities for the provision of services for the rehabilitation of handicapped individuals;

(13)(A) provide that vocational rehabilitation services provided under the State plan shall be available to any civil employee of the United States disabled while in the performance of his duty on the same terms and conditions as apply to other persons, and

(B) provide that special consideration will be given to the rehabilitation under this act of a handicapped individual whose handicapping condition arises from a disability sustained in the line of duty while such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities;

(14) provide that no residence requirement will be imposed which excludes from services under the plan any individual who is present in the State;

(15) provide for continuing statewide studies of the needs of handicapped individuals and how these needs may be most effectively met (including the capacity and condition of rehabilitation facilities, plans for improving such facilities, and policies for the use thereof by the State agency); and review of the efficacy of the criteria employed with respect to ineligibility determinations described in subclause (C) of clause (9) of this subsection) with a view toward the relative need for services to significant segments of the population of handicapped individuals and the need for expanison of services to those individuals with the most severe handicaps;

(16) provide for (A) periodic review and reevaluation of the status of handicapped individuals placed in extended employment in rehabilitiation facilities (including workshops) to determine the feasibility of their employment, or training for employment, in the competitive labor market, and (B) maximum efforts to place such individuals in such employment or training whenever it is determined to be feasible;

(17) provide that where such State plan includes provisions for the construction of rehabilitation facilities—

(A) the Federal share of the cost of construction thereof for a fiscal year will not exceed an amount equal to 10 per centum of the State's allotment for such year.

(B) the provisions of section 306 shall be applicable to such construction and such provisions shall be deemed to apply to such construction, and

(C) there shall be compliance with regulations the Commissioner shall prescribe designed to assure that no state will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of rehabilitation facilities) because its plan includes such provisions for construction;

(18) provide satisfactory assurances to the Commissioner that the State agency designated pursuant to clause (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of individuals and groups thereof who are receipients of vocational rehabilitation services (or,

in appropriate cases, their parents or guardians), personnel working in the field of vocational rehabilitation, and providers of vocational rehabilitation services;

(19) provide satisfactory assurances to the Commissioner that the continuing studies required under clause (15) of this subsection, as well as an annual evaluation of the effectiveness of the program in meeting the goals and priorities set forth in the plan, will form the basis for the submission, from time to time as the Commissioner may require, of appropriate amendments to the plan;

(20) provide satisfactory assurances to the Commissioner that, except as otherwise provided in section 130, the State shall provide vocational rehabilitation services to handicapped American Indians residing in the State to the same extent as the State provides such services to other significant segments of the population of handicapped individuals residing in the State;

(21) provide that the State agency has the authority to enter into contracts with profitmaking organizations for the purpose of providing on-the-job training and related programs for handicapped individuals under part B of title VI upon a determination by such agency that such profitmaking organizations are better qualified to provide such rehabilitation services than nonprofit agencies and organizations; and

(22) provide for the establishment and maintenance of information and referral programs (the staff of which shall include, to the maximum extent feasible, interpreters for the deaf) in sufficient numbers to assure that handicapped individuals within the State are afforded accurate vocational rehabilitation information and appropriate referrals to other Federal and State programs and activities which would benefit them.

(b) The Commissioner shall approve any plan which he finds fulfills the conditions specified in subsection (a) of this section, and he shall disapprove any plan which does not fulfill such conditions. Prior to such disapproval, the Commissioner shall notify a State of his intention to disapprove its plan, and he shall afford such State reasonable notice and opportunity for hearing.

(c)(1) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this section, finds that—

(A) the plan has been so changed that it no longer complies with the requirements of subsection (a) of this section; or

(B) in the administration of the plan there is a failure to comply substantially with any provision of such plan.

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that such further payments will be reduced, in accordance with regulations the Commissioner shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until he is satisfied there is no longer any such failure. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to projects under those parts of the State plan in which there is no such failure).

(2) The Commissioner may, in accordance with regulations the Secretary shall prescribe, disburse any funds withheld from a State under paragraph (1) to any public or nonprofit private organization or agency within such State or to any political subdivison of such State submitting a plan meeting the requirements of subsection (a). The Commissioner may not make any payment under this paragraph unless the entity to which such payment is made has provided assurances to the Commissioner that such entity will contribute, for purposes of carrying out such plan, the same amount as the State would have been obligated to contribute if the State received such payment.

(d)(1) Any State which is dissatisfied with a final determination of the Commissioner under subsection (b) or (c) may file a petition for judicial review of such determination in the United States Court of Appeals for the circuit in which the State is located. Such a petition may be filed only within the thirty-day period beginning on the date notice of such final determination was received by the State. The clerk of the court shall transmit a copy of the petition to the Commissioner or to any officer designated by him for that purpose. In accordance with section 2112 of title 28, United States Code, the Commissioner shall file with the court a record of the proceeding on which he based the determination being appealed by the State. Until a record is so filed, the Commissioner may modify or set aside any determination made under such proceedings.

(2) If, in an action under this subsection to review a final determination of the Commissioner under subsection (b) or (c), the petitioner or the Commissioner applies to the court for leave to have additional oral submissions or written presentations made respecting such determination, the court may, for good cause shown, order the Commissioner to provide within thirty days an additional opportunity to make such submissions and presentations. Within such period, the Commissioner may revise any findings of fact, modify or set aside the determination being reviewed, or make a new determination by reason of the additional submissions and presentations, and shall file such modified or new determination, and any revised findings of fact, with the return of such submissions and presentations. The court shall thereafter review such new or modified determination.

(3)(A) Upon the filing of a petition under paragraph (1) for judicial review of a determination, the court shall have jurisdiction (i) to grant appropriate relief as provided in chapter 7 of title 5, United States Code, except for interim relief with respect to a determination under subsection (c), and (ii) except as otherwise provided in subpargraph (B), to review such determination in accordance with chapter 7 of title 5, United States Code.

(B) Section 706 of title 5, United States Code, shall apply to the review of any determination under this subsection, except that the standard for review prescribed by paragraph (2)(E) of such section 706 shall not apply and the court shall hold unlawful and set aside such determination if the court finds that the determination is not supported by substantial evidence in the record of the proceeding submitted pursuant to paragraph (1), as supplemented by any additional submissions and presentations filed under paragraph (2).

INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

SEC. 102. (a) The Commissioner shall insure that the individualized written rehabilitation program, or the specification of reasons for a determination of ineligibility prior to initiation of such program based on preliminary diagnosis, required by section 101(a)(9) in the case of each handicapped individual is developed jointly by the vocational rehabilitation counselor or coordinator and the handicapped individual (or; in appropriate cases, his parents or guardians), and that such program meets the requirements set forth in subsection (b) of this section. Such written program shall set forth the terms and conditions, as well as the rights and remedies, under which goods and services will be provided to the individual, and, as appropriate, such specification of reasons for such an ineligibility determination shall set forth the rights and remedies, including recourse to the process set forth in subsection (b)(5) of this section, available to the individual in question.

(b) Each individualized written rehabilitation program shall be reviewed on an annual basis at which time each such individual (or, in appropriate cases, his parents or guardians) will be afforded an opportunity to review such program and jointly redevelop and agree to its terms. Such program shall include, but not be limited to (1) a statement of long-range rehabilitation goals for the individual and intermediate rehabilitation objectives related to the attainment of such goals, (2) a statement of the specific vocational rehabilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (5) where appropriate, a detailed explanation of the availability of a client assistance project established in such area pursuant to section 112.

(c) The Commissioner shall also insure that (1) in making any determination of ineligibility referred to in subsection (a) of this section, or in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual, primary emphasis is placed upon the determination and achievement of a vocational goal for such individual, (2) a decision that such an individual is not capable of achieving such a goal and thus not eligible for vocational rehabilitation services provided with assistance under this part, is made only in full consultation with such individual (or, in appropriate cases, his parents or guardians), and only upon the certification, as an amendment to such written program, or as a part of the specification of reasons for an ineligibility determination, as appropriate, that the preliminary diagnosis or evaluation of rehabilitation potential, as appropriate, has demonstrated beyond any reasonable doubt that such individual is not then capable of achieving such a goal, and (3) any such decision, as an amendment to such written program, shall be reviewed at least annually in accordance with the procedure and criteria established in this section.

(d)(1) The Director of any designated State unit shall establish procedures for the review of determinations made by the rehabilitation counselor or coordinator under this section, upon the request

of a handicapped individual (or, in appropriate cases, his parents or guardians). Such procedures shall include a requirement that the final decision concerning the review of any such determination be made in writing by the Director. The Director may not delegate his responsibility to make any such final decision to any other officer or employee of the designated State unit.

(2) Any handicapped individual (or, in appropriate cases, his parent or guardian) who is not satisfied with the final decision made under paragraph (1) by the Director of the designated State unit may request the Secretary to review such decision. Upon such request the Secretary shall conduct such a review and shall make recommendations to the Director as to the appropriate disposition of the matter. The Secretary may not delegate his reponsibility under this paragraph to any officer of the Department of Health, Education, and Welfare who is employed at a position below that of an Assistant Secretary.

SCOPE OF VOCATIONAL REHABILITATION SERVICES

SEC. 103. (a) Vocational rehabilitation services provided under this Act are any goods or services necessary to render a handicapped individual employable, including, but not limited to, the following:

(1) evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided, including, where appropriate, examination by a physician skilled in the diagnosis and treatment of mental or emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both;

(2) counseling, guidance, referral, and placement services for handicapped individuals, including followup, follow-along, and other postemployment services necessary to assist such individuals to maintain their employment and services designed to help handicapped individuals secure needed services from other agencies, where such services are not available under this Act;

(3) vocational and other training services for handicapped individuals, which shall include personal and vocational adjustment, books, and other training materials, and services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals: *Provided*, That no training services in institutions of higher education shall be paid for with funds under this title unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such training;

(4) physical and mental restoration services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment, but is of such nature that such correction or modification may reasonably be expected to eliminate or substantially reduce the handicap within a reasonable length of time, (B) necessary hospitaliza-

tion in connection with surgery or treatment, (C) prosthetic and orthotic devices, (D) eyeglasses and visual services as prescribed by a physican skilled in the diseases of the eye or by an optometrist, whichever the individual may select, (E) special services (including transplantation and dialysis), artifical kidneys, and supplies necessary for the treatment of individuals suffering from end-stage renal disease, and (F) diagnosis and treatment for mental and emotional disorders by a physican or licensed psychologist in accordance with State licensure laws;

(5) maintenance, not exceeding the estimated cost of subsistence, during rehabilitation;

(6) interpreter service for deaf individuals, and reader services for those individuals determined to be blind after an examination by a physician skilled in the disease of the eye or by an optometrist, whichever the individual may select;

(7) recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, and law enforcement, and other appropriate services employment;

(8) rehabilitation teaching services and orientation and mobility services for the blind;

(9) occupational licenses, tools, equipment, and initial stocks and supplies;

(10) transportation in connection with the rendering of any vocational rehabiliation service; and

(11) telecommunications, sensory, and other technological aids and devices.

(b) Vocational rehabilitation services, when provided for the benefit of groups of individuals, may also include the following:

(1) in the case of any type of small business operated by individuals with the most severe handicaps the operation of which can be improved by management services and supervision provided by the State agency, the provision of such services and supervision, along or together with the acquisition by the State agency of vending facilities or other equipment and initial stocks and supplies;

(2) the construction or establishment of public or nonprofit rehabilitation facilities and the provision of other facilities and services (including services offered at rehabilitation facilities) which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized rehabilitation written program of any one handicapped individual;

(3) the use of existing telecommunications systems (including telephone, television, satellite, radio, and other similar systems) which has the potential for substantially improving service delivery methods, and the development of appropriate programing to meet the particular needs of handicapped individuals; and

(4) the use of services providing recorded material for the blind and captioned films or video cassettes for the deaf.

NON-FEDERAL SHARE FOR CONSTRUCTION

SEC. 104. For the purpose of determining the amount of payments to States for carrying out part B of this title, the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Commissioner, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of construction or establishment of a public or nonprofit rehabilitation facility, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to construction or establishment of a facility.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

STATE ALLOTMENTS

SEC. 110. (a)(1) For each fiscal year beginning before October 1, 1978, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under section 100(b)(1) for allotment under this section as the product of (A) the population of the State, and (B) the square of its allotment percentage, bears to the sum of the corresponding products for all the States.

(2)(A) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment in an amount equal to the amount such State received under paragraph (1) for the fiscal year ending September 30, 1978, and an additional amount determined pursuant to subparagraph (B) of this paragraph.

(B) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment, from any amount authorized to be appropriated for such fiscal year under section 100(b)(1) for allotment under this section in excess of the amount appropriated under section 100(b)(1) for the fiscal year ending September 30, 1978, in an amouant equal to the sum of—

(i) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all the States; and

(ii) an amount bearing th same ratio to 50 percent of such excess amount as the product of the population of the State and its allotment percentage bears to the sum of the corresponding products for all the States.

(3) The sum of the payment to any State (other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands) under this subsection for any fiscal year which is less than one-third of 1 percent of the amount appropriated under section 100(b)(1), or $3,000,000 whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining such States under this subsection, but with such adjustments as may be nexessary to prevent the sum of the allotments made under this subsection to any such remaining State from being thereby reduced to less than that amount.

(b)(1) [1] If the payment to a State under section 111(a) for a fiscal year is less than the total payments such State received under section 2 of the Vocational Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional payment (subject to the same terms and conditions applicable to other payments under this part) equal to the difference between such payment under section 111(a) and the amount so received by it.

(2) If a State receives as its Federal share under section 111(a) for any fiscal year, as a result of the maintenance of effort provisions of such section, less than 80 percent of the expenditure of such State for vocational rehabilitation services under the plan for such State approved under section 101 (including any amount expended by such State for the administration of the State plan but excluding any amount expended by such State from non-Federal sources for construction under such plan), such State shall be entitled to an additional payment for such fiscal year, subject to the same terms and conditions applicable to other payments under this part, equal to the difference between such payment under section 111(a) and an amount equal to 80 percent of such expenditure for vocational rehabilitation services.

(3) Any payment attributable to the additional payment to a State under this subsection shall be made only from appropriations specifically made to carry out this subsection, and such additional appropriations are hereby authorized.

(c) [2] Whenever the Commissioner determines, after reasonable opportunity for the submission to him of comments by the State agency administering or supervising the program established under this title, that any payment of an allotment to a State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this title to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 111. (a) From each State's allotment under this part for any fiscal year [3] (including any additional payment to it under section 110(b) the Commissioner shall pay to such State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for such State approved under section 101, including expenditures for the administration of the State plan, except that the total of such payments to such State for such fiscal year may not exceed its allotment under subsection (a) [3] (and its additional payment under subsection (b), if any) of section 110 for such

[1] Section 110(b) of this Act is repealed effective October 1, 1986.
[2] Subsection (c) becomes subsection (b) effective October 1, 1986.
[3] The language contained in the follow parenthesis is repealed effective October 1, 1986.

year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by clause (17) of section 101(a),[4] and except that the amount otherwise payable to such State for such year under this section shall be reduced by the amount (if any) by which expenditures from non-Federal sources during such year under this title are less than expenditures under the State plan for the fiscal year ending June 30, 1972, under the Vocational Rehabilitation Act.

(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

(1) The Commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Commissioner may find necessary.

(2) The Commissioner shall pay, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid the State for any prior period under such subsection was greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Commissioner may determine.

[CLIENT ASSISTANCE

[SEC. 112. (a) From funds appropriated under section 310 for special projects and demonstrations in excess of $11,860,000 the Commissioner shall set aside no less than $3,500,000 for the fiscal year ending September 30, 1979, and for each of the three succeeding fiscal years, to establish in geographically dispersed regions client assistance pilot projects (hereinafter in this section referred to as "projects") to provide counselors to inform and advise all clients and client applicants in the project area of all available benefits under this Act and, upon request of such client or client applicant, to assist such clients or applicants in their relationships with projects, programs, and facilities providing services to them under this Act, including assistance in pursuing legal, administrative, or other appropriate remedies to insure the protection of the rights of such individuals under this act. In the event that funds so appropriated under section 310 do not exceed $11,860,000 in any fiscal year, the Commissioner is authorized to utilize such funds to carry out this section.

[(b) The Commissioner shall prescribe regulations which shall indlude the following requirements:

[(1) No employees of such projects shall be presently serving as staff or consultants or receiving benefits of any kind directly or in-

[4] The language, beginning with "and except" through "Vocational Rehabilitation Act" is repealed effective October 1, 1986.

directly from any rehabilitation project, program, or facility receiving assistance under this Act in the project area.

[(2) Each project shall be afforded reasonable access to policymaking and administrative personnel in State and local rehabilitation programs, projects, and facilities.

[(3) The project shall submit an annual report, through the State agency designated pursuant to section 101, to the Commissioner on the operation of the project during the previous year, including a summery of the work done and a uniform statistical tabulation of all cases handled by such project. A copy of each such report shall be submitted to the appropriate committees of the Congress by the Commissioner, together with a summary of such reports and his evaluation of such projects, including appropriate recommendations.

[(4) Each State agency may enter into cooperative arrangements with institutions of higher education to secure the services in such projects of graduate students who are undergoing clinical training activities in related fields. No compensation with funds appropriated under this act shall be provided to such students.

[(5) Reasonable assurance shall be given by the appropriate State agency that all clients or client applicants within the project area shall have the opportunity to receive adequate service under the project and shall not be pressured against or otherwise discouraged from availing themselves of the services available under such project.

[(6) The project shall be funded, administered, and operated directly by and with the concurrence of the State agency designated pursuant to section 101.]

CLIENT ASSISTANCE PROGRAM

SEC. 112. (a) From funds appropriated under subsection (g), the Secretary shall, in accordance with this section, make grants to States to establish and carry out client assistance programs to provide assistance in informing and advising all clients and client applicants of all available benefits under this Act, and, upon request of such clients or client applicants, to assist such clients or applicants in their relationships with projects, programs, and facilities providing services to them under this Act, including assistance in pursuing legal, administrative, or other appropriate remedies to ensure the protection of the rights of such individuals under this Act.

(b) No State may receive payments from its allotment under this Act in any fiscal year unless the State has in effect not later than September 30, 1985, a client assistance program, which—

(1) has the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of rights of handicapped individuals who are receiving treatments, services, or rehabilitation under this Act within the State;

(2) is not administered by the State Vocational Rehabilitation Agency; and

(3) is independent of any agency which provides treatment, services, or rehabilitation to handicapped individuals.

(c) The Governor shall designate a public or private agency to conduct the client assistance program required by this section and be accountable for the proper use of funds appropriated for its use.

(d)(1)(A) The Secretary shall allot the sums appropriated for each fiscal year under this section among the States on the basis of relative population of each State, except that no State shall receive less than $50,000.

(B) The Secretary shall allot $30,000 each to American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(C) For the purpose of this paragraph, the term 'State' does not include American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(2) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time on such dates he may fix to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reduction shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any such amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment for such fiscal year.

(3)(A) The Secretary shall pay to the Governor from the allotment of the State the amount specified in the application approved under subsection (e).

(B) For the purpose of this paragraph and subsection (c), the term 'Governor' means the chief executive of the State.

(e) No grant may be made under this section unless the State submits an application to the Secretary at such time, in such manner, and containing or accomplished by such information as the Secretary deems necessary to meet the requirements of this section.

(f) The Secretary shall prescribe regulations applicable to the client assistance program which shall include the following requirements:

(1) No employees of such programs shall while so employed, serve as staff or consultants of, or receive benefits of any kind directly or indirectly from any rehabilitation project, program, or facility receiving assistance under this Act in the State.

(2) Each program shall be afforded reasonable access to policymaking and administrative personnel in the State and local rehabilitation programs, projects, or facilities.

(3) Each program shall contain provisions designed to assure that to the maximum extent possible mediation procedures are used prior to resorting to administrative or legal remedies.

(4) The program shall submit an annual report to the Secretary on the operation of the program during the previous year, including a summary of the work done and the uniform statistical tabulation of all cases handled by such program. A copy of each such report shall be submitted to the appropriate commit-

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tees of the Congress by the Secretary, together with a summary of such reports and his evaluation of the program, including appropriate recommendations.

(g) There are authorized to be appropriated $6,000,000 for the fiscal year 1984, $6,300,000 for the fiscal year 1985, and $6,700,000 for the fiscal year 1986.

PART C—INNOVATION AND EXPANSION GRANTS

STATE ALLOTMENTS

SEC. 120. (a)(1) From the sums available pursuant to section 100(b)(2) for any fiscal year for grants to States to assist them in meeting the costs described in section 121, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, and for the fiscal year ending June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a)(2)(A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both the Vocational Rehabilitation Act and this Act for a total period of time in excess of five years. The total of the increase required by the preceding sentence shall be derived by proportionately reducing the allotments to each of the remaining States under the first sentence of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from thereby being reduced to less than $50,000.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year purusant to the preceding sentence shall, for purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 121. (a) From each State's allotment under this part for any fiscal year, the Commissioner shall pay to such State or, at the option of the State agency designated pursuant to section 101(a)(1), to a public or nonprofit organization or agency, a portion of the cost of planning, preparing for, and initiating special programs under the State plan approved pursuant to section 101 to expand vocational rehabilitation services [including programs to initiate or expand such services to individuals with the most severe handicaps, or of special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual and difficult problems in connection with their rehabilitation, particularly handicapped individuals who are poor, and re-

sponsibility for whose treatment, education, and rehabilitation is shared by the State agency designated in section 101 with other agencies.] *including—*

(1) programs to initiate or expand such services to individuals with the most severe handicaps;

(2) special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual or difficult problems in connection with their rehabilitation; and

(3) programs to maximize the use of technological innovations in meeting the employment training needs of handicapped youth and adults.

Payments may also be made under this section for the costs of the construction of facilities to be used in providing services under such State plan if provision for such construction is included in such State plan. The Commissioner may require that any portion of a State's allotment under this section, but not more than 50 per centum of such allotment, may be expended in connection with only such projects as have first been approved by the Commissioner. Any grant of funds under this section which will be used for direct services to handicapped individuals or for establishing or maintaing facilities which will render direct services to such individuals must have the prior approval of the appropriate State agency designated pursuant to section 101.

(b) Payments under this section with respect to any project may be made for a period of not to exceed three years beginning with the commencement of the project as approved, and sums appropriated for grants under this section shall remain available for such grants through the fiscal year ending September 30, 1982. Payments with respect to any project may not exceed 90 per centum of the cost of such project. The non-Federal share of the cost of a project may be in cash or in kind and may include funds spent for project purposes by a cooperating public or nonprofit agency provided that it is not included as a cost in any other federally financed program.

(c) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Commissioner, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

PART D—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

VOCATIONAL REHABILITATION SERVICES GRANTS

SEC. 130. (a) The Commissioner, in accordance with the provisions of this part, may make grants to the governing bodies of Indian tribes located on Federal and State reservations to pay 90 percent of the costs of vocational rehabilitation services for handicapped American Indians residing on such reservations.

(b)(1) No grant may be made under this part for any fiscal year unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application unless the application—

(A) is made at such time, in such manner, and contains such information as the Commissioner may require;

(B) contains assurances that the rehabilitation services provided under this part to handicapped American Indians residing on a reservation in a State shall be, to the maximum extent feasible, comparable to rehabilitation services provided under this title to other handicapped individuals residing in the State; and

(C) contains assurances that the application was developed in consultation with the designated State unit of the State.

(2) The provisions of sections 5, 6, 7, and 102(a) of the Indian Self-Determination and Education Assistance Act shall be applicable to any application submitted under this part. For purposes of this paragraph, any reference in any such provision to the Secretary of Health, Education, and Welfare or to the Secretary of the Interior shall be considered to be a reference to the Commissioner.

(3) Any application approved under this part shall be effective for not less than twelve months except as determined otherwise by the Commissioner pursuant to prescribed regulations. The State shall continue to provide vocational rehabilitation services under its State plan to American Indians residing on a reservation whenever such State includes any such American Indians in its State population under section 110(a)(1).

(d)[5] For the purpose of computing the allotment of any State under section 110(a), the number of American Indians residing on a reservation to be served by a grant under this part shall be subtracted from the population used for such State in section 110(a)(1) as follows:

(1) 33 percent of such American Indians in the first fiscal year during which such Indians are served by grants under this part;

(2) 66 percent of such American Indians in the second fiscal year during which such Indians are served by grants under this part; and

(3) 100 percent of such American Indians in the third fiscal year during which such Indians are served by grants under this part.

(e) The term "reservation" includes Indian reservations, public domain Indian allotments, former Indian reservations in Oklahoma, and land held by incorporated Native groups, regional corporations, and village corporations under the provisions of the Alaska Native Claims Settlement Act.

EVALUATION

SEC. 131. Not less than thirty months after the date of the enactment of the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978, the Secretary shall submit to the Congress an evaluation of the programs conducted under this part. Such evaluation shall be conducted by persons other than persons immediately responsible for administration of such programs. Such evaluation shall include—

[5] No material is omitted; subsectons "d" and "e" should be designated as "(c)" and "(d)".

(1) an examination of the comparability of vocational rehabilitation services provided under this part to services provided to other handicapped individuals under section 101; and

(2) an assessment of the extent to which governing bodies of Indian tribes receiving grants under this part have made services under such grants available to all handicapped American Indians residing on reservations served by such grants.

TITLE II—RESEARCH AND TRAINING

DECLARATION OF PURPOSE

SEC. 200. The purpose of this title is to—

(1) provide for a comprehensive and coordinated approach to the administrative and conduct of research, demonstration projects, and related activities for the rehabilitation of handicapped individuals, including programs designed to train persons who provide rehabilitation services and persons who conduct research, by authorizing Federal assistance in accordance with a plan for rehabilitation research developed under this title;

(2) facilitate the distribution of information concerning developments in rehabilitation procedures, methods, and devices to rehabilitation professionals and to handicapped individuals to assist such individuals to live more independently;

(3) improve the distribution of technological devices and equipment for handicapped individuals by providing financial support for the development and distribution of such devices and equipment; and

(4) increase the scientific and technological information presently available in the field of rehabilitation.

AUTHORIZATION OF APPROPRIATIONS

[SEC. 201. (a) There are authorized to be appropriated—

[(1) for the purpose of providing for the expenses of the National Institute of Handicapped Research under section 202, other than expenses to carry out section 204, such sums as may be necessary for the fiscal year ending September 30, 1979, and for each of the three succeeding fiscal years; and

[(2) for the purpose of carrying out section 204, $50,000,000 for the fiscal year ending September 30, 1979, $75,000,000 for the fiscal year ending September 30, 1980, $90,000,000 for the fiscal year ending September 30, 1981, and $100,000,000 for the fiscal year ending September 30, 1982.]

SEC. 201 (a) *There are authorized to be appropriated $36,000,000 for the fiscal year 1984, $38,000,000 for the fiscal year 1985, and $40,000,000 for the fiscal year 1986 to carry out the provisions of this title.*

(b) Funds appropriated under this title shall remain available until expended.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

SEC. 202. (a) In order to promote and coordinate research with respect to handicapped individuals and to more effectively carry out

the programs under section 204, there is established within the Department of [Health, Education, and Welfare] *Education*, a National Institute of Handicapped Research (hereinafter in this title referred to as the "Institute"), which shall be headed by a Director (hereinafter in this title referred to as the "Director"). In the performance of his functions, the Director shall be directly responsible to the Secretary or to the same Under Secretary or Assistant Secretary of the Department of [Health, Education, and Welfare] *Education*, to whom the Commissioner is responsible under section 3(a) of this Act.

(b) The Director, through the Institute, shall be responsible for—

(1) administering the programs described in section 204;

(2) disseminating information acquired through research funded by the Institute to other Federal, State, and local public agencies and to private organizations engaged in research relating to rehabilitation or providing rehabilitation services;

(3) coordinating, through the Interagency Committee established by section 203 of this Act, all Federal programs and policies relating to research in rehabilitation;

(4) disseminating educational materials to primary and secondary schools, institutions of higher education, and to public and private entities concerning how the quality of life of handicapped individuals may be improved;

(5) conducting an education program to inform the public about ways of providing for the rehabilitation of handicapped individuals, including information relating to family care and self care;

(6) conducting conferences, seminars, and workshops (including in-service training programs) concerning research and engineering advances in rehabilitation pertinent to the problems of handicapped individuals;

(7) taking whatever action is necessary to keep the Congress fully and currently informed with respect to the implementation and conduct of programs and activities carried out under this title; and

(8) producing, in conjunction with the Department of Labor, the National Center for Health Statistics, the Bureau of the Census, the Social Security Administration, and other Federal departments and agencies, as may be appropriate, statistical reports and studies on the employment, health, income, and other demographic characteristics of handicapped individuals and disseminating such reports, and studies to rehabilitation professionals and others to assist in the planning and evaluation of vocational and other rehabilitation services for the handicapped.

(c)(1) The Director of the Institute shall be appointed by the President, by and with the advice and consent of the Senate. *The Director shall be an individual with substantial experience in rehabilitation and in research administration.* The Director shall be compensated at the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. In carrying out any of his functions under this section, the Director shall be guided by general policies of the National Council on the Handicapped established in title IV. The Director shall not delegate any

of his functions to any officer who is not directly responsible to him.

(2) There shall be a Deputy Director of the Institute (hereinafter in this section referred to as the "Deputy Director") who shall be appointed by the Secretary. The Deputy Director shall be compensated at the rate provided for grade GS–17 of the General Schedule under section 5332 of title 5, United States Code, and shall act for the Director during the absence or disability of the Director, exercising such powers as the Director may prescribe. In the case of any vacancy in the office of the Director, the Deputy Director shall serve as Director until a Director is appointed under paragraph (1). The position created by this paragraph shall be in addition to the number of positions placed in grade GS–17 of the General Schedule under section 5108 of title 5, United States Code.

(3) The Director, subject to the approval of the President, may appoint, for terms not to exceed three years, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and may compensate, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such technical and professional employees of the Institute as the Director deems necessary to accomplish the functions of the Institute and also appoint and compensate without regard to such provisions in a number not to exceed one-fifth of the number of full-time, regular technical and professional employees of the Institute.

(4) The Director may obtain the services of consultants, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(d) The Director, pursuant to regulations which the Secretary shall prescribe, may establish and maintain fellowships with such stipends and allowances, including travel and subsistence expenses provided for under title 5, United States Code, as the Director considers necessary to procure the assistance of highly qualified research fellows from the United States and foreign countries.

(e) The Director shall, pursuant to regulations which the Secretary shall prescribe, provide for scientific review of all research grants and programs over which he has authority by utilizing, to the maximum extent possible, appropriate peer review groups established within the Insitute and composed of non-Federal sceintists and other experts in the rehabilitation field.

(f) Not less than 90 percent of the funds appropriated under paragraph (2) of section 201 (a) to carry out section 204 shall be expended by the Director to carry out such section through grants or contracts with qualified public or pirvate agencies and individuals.

(g) The Director shall develop and submit to appropriate committees of the Congresss within eighteen months after the effective date of this section a long-range plan for rehabilitation research which shall—

(1) identify any research which should be conducted respecting the problems encountered by handicapped individuals in their daily activities, especially problems related to employment;

(2) determine the funding priorities for research activities under this section and explain the basis for such priorities, in-

cluding a detailed description of any new types of research recommended under this paragraph for funding; and

(3) specify appropriate goals and timetables for activities to be conducted under this section.

The plan require by this subsection shall be developed by the Director in consultation with the Commissioner, the National Council on the Handicapped established under title IV, the Commissioner of Education, officials responsible for the administration of the Developmental Disabilities assistance and Bill of Rights Act, the Interagency Committee established by section 203, and any other persons or entities the Director considers appropriate. Such plan shall be reviewed at least once every three years and may be revised at any time by the Director to the extent he considers necessary.

(h) In order to promote cooperation among Federal departments and agencies conducting research programs, the Director shall consult with the administrators of such programs, and with the Interagency Committee established by section 203 regarding the design of research projects conducted by such entities and the result and applications of such research.

(i)(1) The Director shall take whatever actions he considers appropriate to provide for a comprehensive and coordinated research program under this title. In providing such a program the Director may undertake joint activities with other Federal entities engaged in research and with appropriate private entities. Any Federal entity proposing to establish any research project related to the purposes of this Act shall consult, through the Interagency Committee establish by section 203, with the Director in his role of Chairman of such Committee and provide the Director with sufficient prior opportunity to commment on such project.

(2) Any person responsible for administering any program of the National Institutes of Health, the Veterans' Administration, the National Science Foundation, the National Aeronautics and Space Administration, the Bureau of Education for the Handicapped, or of any other Federal entity, shall, through the Interagency Committee established by section 203, consult and cooperate with the Director in carrying out such program if the program is related to the prposes of this section.

(j)(1) The Director shall make a grant to an institution of higher education for the establishment of a program of pediatric rehabilitation research at an institution of higher education.

(2) The Director shall establish, either directly or by way of a grant or contract, a Research and Training Center in the Pacific Basin.

INTERAGENCY COMMITTEE

SEC. 203. (a)(1) In order to promote coordination and cooperation among Federal departments and agencies conducting rehabilitation research programs, there is established within the Federal Government an Interagency Committee on Handicapped Research (hereinafter in this section referred to as the "Committee"), chaired by the Director and comprised of such members as the President may designate, including the following (or their designees): the Director,

the Commissioner, the Commissioner of Education, the Administrator of Veterans' Affairs, the Director of the National Institutes of Health, the Administrator of the National Aeronautics and Space Administration, the Secretary of Transportation, and the Director of the National Science Foundation.

(2) The Committee shall meet not less than four times each year.

(b) The Committee shall identify, assess, and seek to coordinate all Federal programs, activities, and projects, and plans for such programs, activities, and projects with respect to the conduct of research related to rehabilitation of handicapped individuals.

(c) The Committee, not later than eighteen months after the date of enactment of this section, and annually thereafter, shall submit to the President and to the appropriate committees of the Congress a report making such recommendations as the Committee deems appropriate with respect to coordination of policy and development of objectives and priorities for all Federal programs relating to the conduct of research related to rehabilitation of handicapped individuals.

RESEARCH

SEC. 204. (a) The Director may make grants to and contracts with States and public or private agencies and organizations, including institutions of higher education, to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly on the development of methods, procedures, and devices to assist in the provision of vocational and other rehabilitation services to handicapped individuals, especially those with the most severe handicaps, under this Act. Such projects may include medical and other scientific, technical, methodological, and other investigations into the nature of disability, methods of analyzing it and restorative techniques, including basic research where related to rehabilitation techniques or services; studies and analyses of industrial, vocational, social, psychiatric, psychological, economic, and other factors affecting rehabilitation of handicapped individuals; special problems of homebound and institutionalized individuals; studies, analyses, and demonstrations of architectural and engineering design adapted to meet the special needs of handicapped individuals; and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals and individuals with the most severe handicaps.

(b) In addition to carrying out projects under subsection (a) of this section, the Director may make grants to pay part or all of the cost of the following specialized research activities:

(1) Establishment and support of Rehabilitation Research and Training Centers to be operated in collaboration with institutions of higher education for the purpose of (A) providing training (including graduate training) to assist individuals to more effectively provide rehabilitation services, (B) providing coordinated and advanced programs of research in rehabilitation, and (C) providing training (including graduate training) for rehabilitation research and other rehabilitation personnel. The research to be carried out at each Center shall be determined on the basis of the particular

needs of handicapped individuals in the geographic area served by the Center, and may include basic or applied medical rehabilitation research, research regarding the psychological and social aspects of rehabilitation, and research related to vocational rehabilitation. The Centers shall be encouraged to develop practical applications for the findings of their research. Grants may include funds for services rendered by such a center to handicapped individuals in connection with such research and training activities. *Rehabilitation Research and Training Centers shall include both comprehensive centers dealing with multiple disabilities and centers focused on particular disabilities. Grants to Centers need not be automatically terminated at the end of a project period and may be renewed on the basis of a thorough evaluation and peer review including site visits. Training of students preparing to be rehabilitation personnel through centers shall be an important priority. Grants may include faculty support for teaching of rehabilitation related courses of study for credit and other courses offered by the institutions of higher education affiliated with the Center.*

(2) Establishment and support of Rehabilitation Engineering Research Centers to (A) develop innovative methods of applying advanced medical technology, scientific achievement, and psychiatric psychological, and social knowledge to solve rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of handicapped individuals and for reducing environmental barriers, and to (B) cooperate with State agencies designated pursuant to section 101 in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving problems in the rehabilitation of handicapped individuals.

(3) Conduct of a program for spinal cord injury research, to include support of spinal cord injuries projects and demonstrations established [pursuant to section 303(b)] *pursuant to sections 310 and 311(b),* which will (A) insure dissemination of research findings among all such centers, (B) provide encouragement and support for initiatives and new approaches by individuals and institutional investigations, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigations.

(4) Conduct a program for end-stage renal disease research to include support of projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals suffering from such disease and which will (A) insure dissemination of research findings, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate

scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of end-stage renal disease. No person shall be selected to participate in such program who is eligible for services for such disease under any other provision of law.

(5) Conduct of a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skill of rehabilitation personnel.

(6) Conduct of a research program concerning the use of existing telecommunications system (including telephone, television, satellite, radio, and other similar systems) which have the potential for substantially improving service delivery methods, and the development of appropriate programing to meet the particular needs of handicapped individuals.

(7) Conduct of a program of joint projects with the National Institutes of Health, the Health Services Administration, the Administration on Aging, the National Science Foundation, the Veterans' Administration, the Office of Education, the National Aeronautics and Space Administration, other Federal agencies, and private industry in areas of joint interest involving rehabilitation.

(8) Conduct of a program of research related to the rehabilitation of handicapped children and of handicapped individuals who are aged sixty or older.

(9) Conduct of a research program to develop and demonstrate innovative methods to attract and retain professionals to serve in rural areas in the rehabilitation of handicapped and severely handicapped individuals.

(10) Conduct of a model research and demonstration project designed to assess the feasibility of establishing a center for producing and distributing to deaf individuals captioned video cassettes providing a broad range of educational, cultural, scientific, and vocational programing.

(11) Conduct of a model research and demonstration program to develop innovative methods of providing services for preschool age handicapped children, including the following: (A) early intervention, parent counseling, infant stimulation, early identification, diagnosis, and evaluation of severely handicapped children up to the age of five, with a special emphasis on severely handicapped children up to the age of three; (B) such physical therapy, language development, pediatric, nursing, and psychiatric services as are necessary for such children; and (C) appropriate services for the parents of such children, including psychiatric services, parent counseling, and training.

(12) Conduct of a model research and training program under which model training centers shall be established to develop and use more advanced and effective methods of evaluating and developing the employment potential of handicapped individuals, including programs which—

(A) provide training and continuing education for personnel involved with the employment of handicapped individuals;

(B) develop model procedures for testing and evaluating the employment potential of handicapped individuals;

(C) develop model training programs to teach handicapped individuals skills which will lead to appropriate employment;

(D) develop new approaches for job placement of handicapped individuals, including new followup procedures relating to such placement; and

(E) provide information services regarding education, training, employment, and job placement for handicapped individuals.

(13) Conduct of a rehabilitation research program under which financial assistance is provided in order to (A) test new concepts and innovative ideas, (B) demonstrate research results of high potential benefits, (C) purchase prototype aids and devices for evaluation, (D) develop unique rehabilitation training curricula, and (E) be responsive to special initiatives of the Director. No single payment under this paragraph may exceed $50,000 in any fiscal year and all payments made under this paragraph in any fiscal year may not exceed 5 percent of the amount available under section 204 to the National Institute of Handicapped Research in any fiscal year. Regulations and administrative procedures with respect to financial assistance under this paragraph shall, to the maximum extent possible, be expedited.

(c) The provisions of section 206 shall apply to assistance provided under this section, unless the context indicates to the contrary.

TITLE III—SUPPLEMENTARY SERVICES AND FACILITIES

PART A—CONSTRUCTION AND TRAINING PROGRAMS

DECLARATION OF PURPOSE

SEC. 300. The purpose of this title is to—

(1) authorize grants and contracts to assist in the construction and initial staffing of rehabilitation facilities and authorize such staffing as the Commissioner deems appropriate;

(2) authorize grants and contracts to assist in the provision of vocational training services to handicapped individuals;

(3) authorize grants for special projects and demonstrations which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals, including individuals with spinal cord injuries, older blind individuals, and deaf individuals whose maximum vocational potential has not been reached, which experiment with new types of patterns of services or devices for the rehabilitation of handicapped individuals (including opportunities for new careers for handicapped individuals, and for other individuals in programs serving handicapped individuals) and which provide vocational rehabilitation services to handicapped migratory agricultural workers or seasonal farmworkers; and

(4) establish uniform grant and contract requirements for programs assisted under this title and certain other provisions of this Act.

GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

SEC. 301. (a) For the purpose of making grants and contracts under this section for construction of rehabilitation facilities, staffing, and planning assistance, there is authorized to be appropriated such sums as may be necessary for each fiscal year ending before [October 1, 1982] *October 1, 1986.* Amounts so appropriated shall remain available for expenditure with respect to construction projects funded or staffing grants made under this section prior to [October 1, 1983] *October 1, 1987.*

(b)(1) The Commissioner is authorized to make grants to assist in meeting the costs of construction of public or nonprofit rehabilitation facilities. Such grants may be made to States and public or nonprofit organizations and agencies for projects for which applications are approved by the Commissioner under this section.

(2) To be approved, an application for a grant for a construction project under this section must conform to the provisions of section 306.

(3) The amount of a grant under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share which is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a))), in such State except that if the Federal share with respect to rehabilitation facilities in such State is determined pursuant to subparagraph (b)(2) of section 645 of such Act (42 U.S.C. 291o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Commissioner designed to achieve as nearly as practicable results comparable to the results obtained under such subparagraph.

(c) The Commissioner is also authorized to make grants to assist in the staffing of any public or nonprofit rehabilitation facility constructed after the date of enactment of this section (whether or not such construction was financed with the aid of a grant under this section) by covering part of the costs (determined in accordance with regulations the Commissioner shall prescribe) of compensation of professional or technical personnel of such facility during the period beginning with the commencement of the operation of such facility and ending with the close of four years and three months after the month in which such operation commenced. Such grants with respect to any facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

(d) The Commissioner is also authorized to make grants upon application approved by the State agency designed under section 101 to administer the State plan, to public or nonprofit agencies, institutions, or organizations to assist them in meeting the cost of plan-

ning rehabilitation facilities and the services to be provided by such facilities.

VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 302. (a) For the purpose of making grants and entering into contracts under this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year ending before [October 1, 1982] *October 1, 1986.*

(b)(1) The Commissioner is authorized to make grants to States and public or nonprofit organizations and agencies to pay up to 90 per centum of the cost of projects for providing vocational training services to handicapped individuals, especially those with the most severe handicaps, in public or nonprofit rehabilitation facilities.

(2)(A) Vocational training services for purposes of this subsection shall include training with a view toward career advancement; training in occupational skills; related services, including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts; and payment of weekly allowances to individual receiving such training and related services.

(B) Such allowances may not be paid to any individual for any period in excess of two years, and such allowances for any week shall not exceed $30 plus $10 for each of the individual's dependents, or $70, whichever is less. In determing the amount of such allowances for any individual, consideration shall be given to the individual's need for such an allowance, including any expenses reasonably attributable to receipt of training services, the extent to which such an allowance will help assure entry into and satisfactory completioin of training, and such other factors, specified by the Commissioner, as will promote such individual's capacity to engage in gainful and suitable employment.

(3) The Commissioner may make a grant for a project pursuant to this subsection only on his determination that (A) the purpose of such project is to prepare handicapped individuals, especially those with the most severe handicaps, for gainful and suitable employment; (B) the individuals to receive training services under such project will include only those who have been determined to be suitable for and in need of such training services by the State agency or agencies designated as provided in section 101(a)(1) of the State in which the rehabilitation facility is located; (C) the full range of training services will be made available to each such individual, to the extent of his need for such services; and (D) the project, including the participating rehabilitation facility and the training services provided, meet such other requirements as he may prescribe in regulations for carrying out the purposes of this subsection.

(4) No grant under this subsection shall be continued for more than 2 years unless the projects meets standards relating to employment and earnings prescribed by the Commissioner or unless the Commissioner determines that acceptable remedial measures have been taken by the grantee.

(c)(1) The Commissioner is authorized to make grants to public or nonprofit rehabilitation facilities, or to an organization or combina-

tion of such facilities, to pay the Federal share of the cost of projects to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness, or any other part of their operations affecting their capacity to provide unemployment and services for such individuals.

(2) No part of any grant made pursuant to this subsection may be used to pay costs of acquiring, constructing, expanding, remodeling, or altering any building.

LOAN GUARANTEES FOR REHABILITATION FACILITIES

SEC. 303. (a) It is the purpose of this section to assist and encourage the provision of needed facilities for programs for handicapped individuals primarily served by State rehabilitation programs.

(b) The Commissioner may, in accordance with this section and subject to section 306, guarantee the payment of principal and interest on loans made to nonprofit private entities by non-Federal lenders and by the Federal Financing Bank for the construction of rehabilitation facilities, including equipment used in their operation.

(c) In the case of a guarantee of any loan to a nonprofit private entity under this section, the Commissioner shall pay, to the holder of such loan and for and on behalf of the project for which the loan was made, amounts sufficient to reduce by 2 percent per annum the net effective interest rate otherwise payable on such loan. Each holder of a loan which is guaranteed under this section shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

(d) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, may not exceed $100,000,000.

(e)(1) The Commissioner may not approve a loan guarantee for a project under this section unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this section.

(2)(A) The United States shall be entitled to recover from the applicant for a loan guarantee under this section the amount of any payment made pursuant to such guarantee, unless the Commissioner for good cause waives such right of recovery. Upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this section (including terms and conditions imposed under paragraph (1) may be

modified by the Commissioner to the extent he considers consistent with the interests of the United States.

(C) Any loan guarantee made by the Commissioner under this section shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to making such loan.

(D) Guarantees of loans under this section shall be subject to such further terms and conditions as the Commissioner considers necessary to assure that the purposes of this section will be achieved.

(f)(1) There is established in the Treasury a loan guarantee fund (hereinunder in this subsection referred to as the "fund") which shall be available to the Commissioner without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts—

(A) to enable him to discharge his responsibilities under loan guarantees issued by him under this section; and

(B) for payment of interest under subsection (c) on loans guaranteed under this section.

There are authorized to be appropriated such amounts as may be necessary to provide the sums required for the fund. There shall also be deposited in the fund amounts received by the Commissioner in connection with loan guarantees under this section and other property or assets derived by him from his operations respecting such loan guarantees, including any money derived from the sale of assets.

(2)(A) If an any time the sums in the fund are insufficient to enable the Commissioner—

(i) to make payments of interest under subsection (c); or

(ii) to otherwise comply with guarantees under this section of loans to nonprofit private entities;

he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury.

(B) Such notes or other obligations shall bear interest at a rate determinated by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations.

(C) The Secretary of the Treasury shall purchase any notes and other obligations issued under this paragraph, and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this paragraph. All re-

demptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as a public debt transaction of the United States.

(D) Sums borrowed under this paragraph shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from the fund.

TRAINING

SEC. 304. (a) The Commissioner may make grants to and contracts with States and public or nonprofit agencies and organizations, including *(A)* institutions of higher education, to pay part of the cost of projects for training, traineeships, and related activities designed to assist in increasing the numbers of *qualified* personnel trained in providing vocational, medical, social, and psychological rehabilitation services to handicapped individuals, including *qualified* personnel specially trained in providing employment assistance to handicapped individuals through job development and job placement services, *(B) personnel specifically trained to deliver services to individuals who may benefit from receiving comprehensive services for independent living, personnel specifically trained to deliver services in client assistance programs,* and *qualified* personnel trained in performing other functions necessary to the development of such services. *In carring out the provisions of this subsection, the Commissioner shall, in addition to furnishing training in the services provided under this Act to rehabilitation counselors furnish training to such counselors in the applicability of section 504.*

(b) In making such grants or contracts, funds made available for any year [will be utilized to provide a balanced program of assistance to meet the medical, vocational, and other personnel training needs of both public and private rehabilitation programs and institutions, to include] *shall be targeted to areas of personnel shortage which may include* projects in rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work rehabilitation psychiatry, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, workshop and facility administration, prosthetics and orthotics, specialized personnel in providing services to blind and deaf individuals, specialized personnel in providing job development and job placement services for handicapped individuals, recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals and handicapped individuals with limited English-speaking ability. No grant shall be made under this section for furnishing to an individual any one course of study extending for a period in excess of four years.

(c) The Commissioner shall evaluate the impact of the training programs conducted under this section, shall determine training needs for personnel necessary to provide services to handicappped individuals, and shall develop a long-term rehabiliation manpower plan designed to target resources on areas of personnel shortage. *The commissioner shall prepare and submit to the Congress, simultaneously with budget submission for the succeeding fiscal year for the Rehabilitation Services Administration, a report, setting forth*

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and justifying in detail how the training funds for the fiscal year prior to submission are allocated by professional discipline and other program areas. The report shall also contain findings on personnel shortages, how funds proposed for the succeding fiscal year will be allocated under the President's budget proposal, and how the findings of personnel shortages justify the allocations.

(d)(1) For the purpose of training a sufficient number of interpreters to meet the communications needs of deaf individuals, the Secretary, through the Office of Information and Resources for the Handicapped, may award grants under this section to any public or private nonprofit agency or organization to establish interpreter training programs or to provide financial assistance for ongoing interpreter training programs. Not more than twelve programs shall be established or assisted by grants under this section. The Secretary shall award grants for programs in such geographic areas throughout the United States as the Secretary considers appropriate to best carry out the purpose of this section. Priority shall be given to public or private nonprofit agencies or organizations with existing programs that have demonstrated their capacity for providing interpreter training services.

(2) No grant shall be awarded under this section unless the applicant has submitted an application to the Secretary in such form, and in accordance with such procedures, as the Secretary may require. Any such application shall—

(A) describe the manner in which an interpreter training program would be developed and operated during the five-year period following the award of any grant under this section;

(B) demonstrate the applicant's capacity or potential for providing training for interpreters for deaf individuals;

(C) provide assurances that any interpreter trained or retrained under such program shall meet such minimum standards of competency as the Secretary may establish for purposes of this section;

(D) provide assurances that (i) to the extent appropriate, the applicant shall provide for the training or retraining (including short-term and in-service training) of teachers who are involved in providing instruction to deaf individuals but who are not certified as teachers of deaf individuals, and (ii) funds for such in service training shall be provided under this section only through funds appropriated under the Education for All Handicapped Children Act; and

(E) contain such other information as the Secretary may require.

(d) [There are authorized to be appropriated to carry out this section $34,000,000 for the fiscal year ending September 30, 1979, $40,000,000 for the fiscal year ending September 30, 1980, $45,000,000 for the fiscal year ending September 30, 1981, and $50,000,000 for the fiscal year ending September 30, 1982] *There are authorized to be appropriated to carry out this section $22,000,000 for fiscal year 1984, 26,800,000 for fiscal year 1985, and $28,300,000 for fiscal year 1986.* There are further authorized to be appropriated for each such fiscal year such additional sums as the Congress may determine to be necessary to carry out this section.

COMPREHENSIVE REHABILITATION CENTERS

SEC. 305. (a)(1) In order to provide a focal point in communities for the development and delivery of services designed primarily for handicapped persons, the Commissioner may make grants to any designated State unit to establish and operate comprehensive rehabilitation centers. The centers shall be established in order to provide a broad range of services to handicapped individuals, including information and referral services, counseling services, and job placement, health, educational, social, and recreational services, as well as to provide facilities for recreational activities.

(2) To the maximum extent practicable, such centers shall provide, upon request, to local governmental units and other public and private nonprofit entities located in the area such information and technical assistance (including support personnel such as interpreters for the deaf) as may be necessary to assist those entities in complying with this Act, particularly the requirements of section 504.

(b) No grant may be made under this section unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application for a grant unless the application—

(1) contains assurances that the designated State unit will use funds provided by such grant in accordance with subsections (c) and (d); and

(2) contains such other information, and is submitted in such form and in accordance with such procedures, as the Commissioner may require.

(c)(1) The designated State unit may—

(A) in accordance with subsection (e) make grants to units of general purpose local government or to other public or nonprofit private agencies or organizations and may make contracts with any agency or orgnization to pay not to exceed 80 percent of the cost of—

(i) leasing facilities to serve as comprehensive rehabilitation centers;

(ii) expanding, remodeling, or altering facilities to the extent necessary to adapt them to serve as comprehensive rehabilitation centers;

(iii) operating such centers; or

(iv) carrying out any combination of the activities specified in this subparagraph; and

(B) directly carry out the activities described in subparagraph (A), except that not more than 80 percent of the costs of providing any comprehensive rehabilitation center may be provided from funds under this section.

(3) Funds made available to any designated State unit under this section for the purpose of assisting in the operation of a comprehensive rehabilitation center may be used to compensate professional and technical personnel required to operate the center and to deliver services in the center, and to provide equipment for the center.

(d)(1) The designated State unit may approve a grant or enter into a contract under subsection (c) only if the application for such

grant or contract meets the requirements specified in paragraphs (1), (2), (4), and (5) of section 306(b) and if the application contains assurances that any facility assisted by such grant or contract shall be in reasonably close proximity to the majority of individuals eligible to use the comprehensive rehabilitation center.

(2) Any designated State unit which directly provides for comprehensive rehabilitation centers under subsection (c)(1)(B) shall use funds under this section in the same manner as any other grant recipient is required to use such funds.

(e) If within 20 years after the completion of any construction project for which funds have been paid under this section—

(1) the owner of the facility ceases to be a public or nonprofit private agency or organization, or

(2) the facility ceases to be used for the purposes for which it was leased or constructed (unless the Commissioner determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so).

the United States shall be entitled to recover from the grant recipient or other owner of the facility an amount which bears the same ratio to the value of the facility (or so much thereof as constituted an approved project or projects) at the time the United States seeks recovery as the amount of such Federal funds bore to the cost of renovating the facility under subsection (c)(1)(A)(ii). Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(f) The requirements of section 306 shall not apply to funds allotted under this section, except that subsections (g) and (h) of such section shall be applicable with respect to such funds.

(g) There are authorized to be appropriated to carry out this section such sums as may be necessary for [the fiscal year ending September 30, 1979, and for the three succeeding fiscal years] *each of the fiscal years 1984, 1985, and 1986.*

GENERAL GRANT AND CONTRACT REQUIREMENTS

SEC. 306. (a) The provisions of this section shall apply to all projects approved and assisted under this title, except as otherwise provided in section 305(g). The Commissioner shall insure compliance with this section prior to making any grant or entering into any contract or agreement under this title, except projects authorized under section 302.

(b) To be approved, an application for assistance for a construction project, or for a project which involves construction, under this title must—

(1) contain or be supported by reasonable assurances that (A) for a period of not less than twenty years after completion of construction of the project it will be used as a public or nonprofit facility, (B) sufficient funds will be available to meet the non-Federal share of the cost of construction of the project, and (C) sufficient funds will be available, when construction of the project is completed, for its effective use for its intended purpose;

(2) provide that Federal funds provided to any agency or organization under this title will be used only for the purposes for which provided and in accordance with the applicable provisions of this section and the section under which such funds are provided;

(3) provide that the agency or organization receiving Federal funds under this title will make an annual report to the Commissioner, which the Commissioner shall submit to the Secretary for inclusion (in summarized form) in the annual report submitted to the Congress under section 13;

(4) be accompanied or supplemented by plans and specifications which have been approved by the Board established by section 502, in which due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and which comply with regulations prescribed by the Commissioner related to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)), and with regulations of the Secretary of Labor relating to occupational health and safety standards for rehabilitation facilities; and

(5) contain or be supported by reasonable assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) Upon approval of any application for a grant or contract for a project under this title, the Commissioner shall reserve, from any appropriation available therefore, the amount of such grant or contract determined under this title. In case an amendment to an approved application is approved, or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the appropriation from which the original reservation was made or the appropriation for the fiscal year in which such amendment of revision is approved.

(d) If, within twenty years after completion of any construction project for which funds have been paid under this title, the facility shall cease to be a public or nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(e) Payment of assistance or reservation of funds made pursuant to this title may be made (after necessary adjustment on account of

previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

(f) A project for construction of a rehabilitation facility which is primarily a workshop may, where approved by the Commissioner as necessary to the effective operation of the facility, include such construction as may be necessary to provide residential accommodations for use in connection with the rehabilitation of handicapped individuals.

(g) No funds provided under this title may be used to assist in the construction of any facility which is or will be used for religious worship or any sectarian activity.

(h) When in any State, funds provided under this title will be used for providing direct services to handicapped individuals or for establishing facilities which will provide such services, such services must be carried out in a manner not inconsistent with the State plan approved pursuant to section 101.

(i) Prior to making any grant or entering into any contract under this title, the Commissioner shall afford reasonable opportunity to the appropriate State agency or agencies designated pursuant to section 101 to comment on such grant of contract.

PART B—SPECIAL PROJECTS AND SUPPLEMENTARY SERVICES

AUTHORIZATION OF APPROPRIATIONS

SEC. 310. (a) For the purpose of carrying out this part (other than section 313 *and section 316*), there are authorized to be appropriated [such sums as may be necessary for each fiscal year ending before October 1, 1982] *$12,900,000 for fiscal year 1984, $13,600,000 for fiscal year 1985, and $14,300,000 for fiscal year 1986.*

(b) Of the amounts appropriated for any fiscal year under subsection (a), 5 percent of such amount shall be available in such fiscal year only for the purpose of making grants under section 312. There is further authorized to be appropriated for each such fiscal year such additional amount as may be necessary to equal, when added to the amount made available for the purpose of making grants under section 312, an amount of $5,000,000 for each such fiscal year.

SPECIAL DEMONSTRATION PROGRAMS

SEC. 311. (a) Subject to the provisions of section 306, the Commissioner may make grants to States and to public or nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations (including related research and evaluation) for—

(1) establishing programs and, where appropriate, constructing facilities for providing, vocational rehabilitation services, which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals (especially those with the most severe handicaps), including [individuals with spinal cord injuries and] blind or deaf individuals, irrespective of age or vocational potential, who can benefit from comprehensive services;

(2) applying new types or patterns of services or devices for handicapped individuals (including programs for providing handicapped individuals, or other individuals in programs serviceing handicapped individuals, with opportunities for new careers); and

(3) operating programs and, where appropriate, renovating and constructing facilities to demonstrate methods of making recreational activities fully accessible to handicapped individuals.

The Director of the National Institute of Handicapped Research may make grants to public or nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations for spinal cord injuries.

(b) Any project or demonstration assisted by a grant under this section which provides services to individuals with spinal cord injuries shall—

(1) establish, on an appropriate regional basis, a multidisciplinary system of providing vocational and other rehabilitation services, specifically designed to meet the special needs of individuals with spinal cord injuries, including acute care as well as periodic inpatient or outpatient followup and services;

(2) demonstrate and evaluate the benefits to individuals with spinal cord injuries served in, and the degree of cost effectiveness of such a regional system;

(3) demonstrate and evaluate existing, new, and improved methods and equipment essential to the care, management, and rehabilitation of individuals with spinal cord injuries; and

(4) demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problems of such individuals in areas such as housing, transportation, recreation, employment, and community activities.

The Director of the National Institute of Handicapped Research shall coordinate each grant made under this subsection with the commissioner.

(c)(1) The Commissioner may make grants to public and nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations including research and evaluation for applying new types or patterns of services for individuals with mental retardation to enter into the labor force.

(2) Services under this subsection may include—

(A) jobs search assistance;

(B) on-the job training;

(C) job development including work site modification and use of advance learning technology for skills training;

(D) dissemination of information on program activities to business and industry; and

(E) follow-up services for individuals placed in employment.

(d)(1) The Commissioner may make grants to public and nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations including research and evaluation for handicapped youths to provide job training and prepare them for entry into the labor force. Such projects shall be designed to demonstrate cooperative efforts between local educational agencies, busi-

ness and industry, vocational rehabilitation programs, and organizations representing labor and organizations responsible for promoting or assisting in local economic development.

(2) Services under this subsection may include—

(A) jobs search assistance;

(B) on-the-job training;

(C) job development including work site modification and use of advance learning technology for skills training;

(D) dissemination of information on program activities to business and industry; and

(E) follow-up services for individuals placed in employment.

(3) The Commissioner shall assure that projects shall be coordinated with other projects assisted under section 626 of the Education of the Handicapped Act.".

MIGRATORY WORKERS

SEC. 312. The Commissioner, subject to the provisions of section 306, is authorized to make grants to any State agency designated pursuant to a State plan approved under section 101, or to any local agency participating in the administration of such a plan, to pay up to 90 per centum of the cost of projects or demonstrations for the provision of vocational rehabilitation services to handicapped individuals, as determined in accordance with rules prescribed by the Secretary of Labor, who are migratory agricultural workers or seasonal farmworkers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of such individuals and members of their families where necessary to the rehabilitation of such individuals. Maintenance payments under this section shall be consistent with any maintenance payments made to other handicapped individuals in the State under this Act. Such grants shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families. This section shall be administered in coordination with other programs serving migrant agricultural workers and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, the Migrant Health Act, and the Farm Labor Contractor Registration Act of 1963.

HELEN KELLER NATIONAL CENTER

SEC. 313. (a) The purpose of this section is to provide for the establishment and operation of the Helen Keller National Center for Deaf-Blind Youths and Adults. Any funds appropriated under this part for construction of the Center shall remain available until expended.

(b) In order—

(1) to demonstrate methods of (A) providing the specialized intensive services, and other services, needed to rehabilitate handicapped individuals who are both deaf and blind, and (B)

training the professional and allied personnel needed adequately to staff facilities specifically designed to provide such services and training to such personnel who have been or will be working with deaf-blind individuals;

(2 to conduct research in the problems of, and ways of meeting the problems of rehabilitating, deaf-blind individuals; and

(3) to aid in the conduct of related activities which will expand or improve the services for or help improve public understanding of the problems of deaf-blind individuals;

the Secretary, subject to the provisions of section 306, is authorized to enter into an agreement with any public or nonprofit agency or organization for payment by the United States of all or part of the costs of the establishment and operation, including construction and equipment, of a center for vocational rehabilitation of handicapped individuals who are both deaf and blind, which center shall be known as the Helen Keller National Center for Deaf-Blind Youths and Adults.

(c) Any agency or organization desiring to enter into such agreement shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed in regulations by the Secretary. In considering such proposals the Secretary shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of the Helen Keller National Center, and (2) give promise of offering the most substantial skill, experience, and capability in providing a broad program of service, research, training, and related activities in the field of rehabilitation of deaf-blind individuals.

(d) To the extent feasible the Helen Keller National Center for Deaf-Blind Youths and Adults shall seek to recover from States, private insurers, and other participating public and private agencies the costs of services provided to individuals by the Center.

(e) There are authorized to be appropriated to carry out this section [such sums as may be necessary for each fiscal year beginning before October 1, 1982] *$3,700,000 for fiscal year 1984, $3,900,000 for fiscal year 1985, and $4,100,000 for fiscal year 1986.*

READER SERVICES FOR THE BLIND

SEC. 314. (a) The Commissioner may award grants to States or to private nonprofit agencies or organizations of national scope (as so determined by the Commissioner) to—

(1) provide reading services to blind persons who are not otherwise eligible for such services through other State or Federal programs; and

(2) expand the quality and scope of reading services available to blind persons, and to assure to the maximum extent possible that the reading services provided under this Act will meet the reading need of blind persons attending institutions providing elementary, secondary, or post-secondary education, and will be adequate to assist blind persons to obtain and continue in employment.

Any State which receives a grant under this section shall administer the reading services for which such grant is awarded through the designated State unit of the State.

(b) No grant shall be awarded under this section unless the applicant has submitted an application to the Secretary in such form, at such time, and containing such information as the Secretary may require.

(c) For purposes of this section, the term "reading services" means—

(1) the employment of persons who, by reading aloud, can afford blind persons ready access to printed information;

(2) the transcription of printed information into braille or sound recordings if such transcription is performed pursuant to individual requests from blind persons for such services;

(3) the storage and distribution of braille materials and sound recordings;

(4) the purchase, storage, and distribution of equipment and materials necessary for the production, duplication, and reproduction of braille materials and sound recordings;

(5) the purchase, storage, and distribution of equipment to blind persons to provide them with individual access to printed materials by mechanical or electronic means; and

(6) radio reading services for blind persons.

INTERPRETER SERVICES FOR THE DEAF

SEC. 315. (a) The Commissioner may make grants to designated State units to establish within each State a program of interpreter services (including interpreter referral services) which shall be made available to deaf individuals and to any public agency or private nonprofit organization involved in the delivery or assistance or services to deaf individuals.

(b) No grant may be made under this section unless an application therefor is submitted to the Commissioner in such form, at such times, and in accordance with such procedures as the Commissioner may require. Such application shall—

(1) provide assurances that the program to be conducted under this section will be operated in areas within the State which are specifically selected to provide convenient locations for the provision of services to the maximum number of deaf individuals feasible;

(2) include a plan which describes, in sufficient detail, the manner in which interpreter referral services will be coordinated with the information and referral programs required under section 101(a)(22);

(3) provide assurances that the program will seek to enter into contractual or other arrangements, to the extent appropriate, with private nonprofit crganizations comprised of primarily hearing-impaired individuals (or private nonprofit organizations which have the primary purpose of providing assistance or services to hearing-impaired individuals) for the operation of such programs.

(4) provide that any interpreter participating in the program shall be requried to meet miminum standards establshed by the Commissioner; and

(5) contain such other information as the Secretary may require.

(c) Any designated State unit receiving funds under this section may provide interpreter services, without cost, for a period of not to exceed one year to any public agency or private nonprofit organization which provides assistance to deaf individuals. At the end of such period, agencies or organizations receiving such services through referrals shall reimburse the designated State unit for the costs of such services. Funds may also be used for the purchase or rental of equipment necessary to provide assistance or services to deaf individuals.

(d) Funds provided to any designated State unit for any program under this section shall not be used for any administrative or related costs, nor shall such funds be used for assistance to deaf individuals who are receiving rehabilitation services under any other provision of this Act.

SPECIAL RECREATIONAL PROGRAMS

SEC. 316. *(a)* The Commissioner, subject to the provisions of section 306, shall make grants to State and public nonprofit agencies and organizations for paying part or all of the cost of initiation of recreation programs to provide handicapped individuals with recreational activities to aid in the mobility and socialization of such individuals. The activities authorized to be assisted under this section may include, but are not limited to, scouting and camping, 4-H activities, sports, music, dancing, handicrafts, art, and homemaking. No grant may be made under the provisions of this section unless the agreement with respect to such grant contains provisions to assure that, to the extent possible, existing resources will be used to carry out the activities for which the grant is to be made, and that with respect to children the activities for which the grant is to be made will be conducted after school.

(b) There are authorized to be appropriated to carry out this section $2,000,000 for the fiscal year 1984, $2,100,000 for the fiscal year 1985, and $2,200,000 for the fiscal year 1986.

TITLE IV—NATIONAL COUNCIL ON THE HANDICAPPED

ESTABLISHMENT OF NATIONAL COUNCIL ON THE HANDICAPPED

SEC. 400. (a) There is established [with the Department of Health, Education, and Welfare] *within the executive branch of the Federal Government* a National Council on the Handicapped (hereinafter in this title referred to as the "National Council"), which shall be composed of fifteen members appointed by the President, by and with the advice and consent of the Senate. The members of the National Council shall be appointed so as to be representative of handicapped individuals, national organizations concerned with the handicapped, providers and administrators of services to the handicapped, individuals engaged in conducting medical or scientific research relating to handicapped individuals, business concerns, and labor organizations. At least five members of the National Council shall be handicapped individuals, or parents or guardians of handicapped individuals.

(b)(1) Members of the National Council shall be appointed to serve for terms of three years, except that of the members first appointed—

(A) five shall serve for terms of one year,

(B) five shall serve for terms of two years, and

(C) five shall serve for terms of three years,

as designated by the President at the time of appointment.

(2) Members may be reappointed and may serve after the expiration of their terms until their successors have taken office.

(3) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(c) The President shall designate the Chairman from among the members appointed to the National Council. The National Council shall meet at the call of the Chairman, but not less often than four times each year.

(d) Eight members of the National Council shall constitute a quorum and any vacancy in the National Council shall not affect its power to function.

DUTIES OF NATIONAL COUNCIL

SEC. 401. The National Council shall—

(1) establish general policies for, and review the operation of, the National Institute of Handicapped Research;

(2) provide advice to the Commissioner with respect to the policies of and conduct of the Rehabilitation Services Administrator;

(3) advise the [Commissioner, the appropriate Assistant Secretary of the Department of Health, Education, and Welfare] *President and the Congress*, and the Director of the National Institute of Handicapped Research on the development of the programs to be carried out under this Act;

(4) review and evaluate on a continuing basis all policies, programs, and activities concerning handicapped individuals and persons with developmental disabilities conducted or assisted by Federal departments and agencies, including programs established or assisted under this Act or under the Developmental Disabilities Assistance and Bill of Rights Act, in order to assess the effectiveness of such policies, programs, and activities in meeting the needs of handicapped individuals;

(5) make recommendations to [the Secretary, the Commissioner] *President and the Congress*, and the Director of the National Institute of Handicapped Research respecting ways to improve research concerning handicapped individuals, the administration of services for handicapped individuals, and the methods of collecting and disseminating the findings of such research, and make recommendations for facilitating the implementation of programs based upon such findings; [and]

(6) submit not later than March 31 of each year (beginning in 1980) an annual report to [the Secretary,] the Congress, and the President, containing (A) a statement of the current status of research concerning the handicapped in the United States, (B) a review of the activities of the Rehabilitation Serv-

ices Administration and the National Institute of Handicapped Research, and (C) such recommendations respecting the items described in clauses (A) and (B) as the National Council considers appropriate[.] *; and*

(7) provide to the Congress on a continuing basis advice, recommendations, and any additional information which the Council or the Congress deems appropriate.

COMPENSATION OF NATIONAL COUNCIL MEMBERS

SEC. 402. (a) Members of the National Council shall be entitled to receive compensation at a rate equal to the rate of baisc pay payable for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, for each day they are engaged in the performance of their duties as members of the National Council.

(b) Members of the National Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the National Council except for compensation for travel expenses as provided under subsection (c) of this section.

(c) While away from their homes or regular places of business in the performance of services for the National Council, members of the National Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

STAFF OF NATIONAL COUNCIL

SEC. (a) *(1)* The National Council may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, [up to seven technical and professional employees] *an Executive Director* to assist the National Council to carry out its duties. *The Executive Director shall be appointed from among individuals who are experienced in the planning or operation of programs for handicapped individuals.*

(2) The Executive Director is authorized to hire not to exceed 7 technical and professional employees to assist the National Council to carry out its duties. (b) The National Council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code (but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for grades GS–18 of the General Schedule under section 5332 of title 5, United States Code).

(c) The Administrator of General Services shall provide to the National Council on a reimbursable basis such administrative support services as the Council may request.

ADMINISTRATIVE POWERS OF NATIONAL COUNCIL

SEC. 404. (a) The National Council may prescribe such bylaws and rules as may be necessary to carry out its duties under this title.

(b) The National Council may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems advisable.

(c) The National Council may appoint advisory committees to assist the National Council in carrying out its duties. The members thereof shall serve without compensation.

(d) The National Council may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

AUTHORIZATION OF APPROPRIATIONS

SEC. 405. There are authorized to be appropriated to carry out this title such sums as may be necessary.

TITLE V—MISCELLANEOUS

EFFECT ON EXISTING LAW

SEC. 500. (a) The Vocational Rehabilitation Act (29 U.S.C. 31 et seq.) is repealed ninety days after the date of enactment of this Act and references to such Vocational Rehabilitation Act in any other provision of law shall, ninety days after such date, be deemed to be references to the Rehabilitation Act of 1973. Unexpended appropriations for carrying out the Vocational Rehabilitation Act may be made available to carry out this Act, as directed by the President. Approved State plans for vocational rehabilitation, approved projects, and contractual arrangements authorized under the Vocational Rehabilitation Act will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(b) The authorizations of appropriations in the Vocational Rehabilitation Act are hereby extended at the level specified for the fiscal year 1972 for the fiscal year 1973.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 501. (a) There is established within the Federal Government an Interagency Committee on Handicapped Employees (hereinafter in this section referred to as the "Committee"), comprised of such members as the President may select, including the following (or their designees whose positions are Executive Level IV or higher): the Chairman of the Civil Service Commission, the Administrator of Veterans' Affairs, and the Secretaries of Labor and Education. The Secretary of Education and the Chairman of the Civil Service Commission shall serve as co-chairmen of the Committee. The resources of the President's Committees on Employment of the Handicapped and on Mental Retardation shall be made fully available to the Committee. It shall be the purpose and function of the Committee (1) to provide a focus for Federal and other employment of handicapped individuals, and to review, on a periodic basis, in

cooperation with the Civil Service Commission, the adequacy of hiring, placement, and advancement practices with respect to handicapped individuals, by each department, agency, and instrumentality in the executive branch of Government, and to insure that the special needs of such individuals are being met; and (2) to consult with the Civil Service Commission to assist the Commission to carry out its reponsibilities under subsections (b), (c), and (d) of this section. On the basis of such review and consultation, the Committee shall periodically make to the Civil Service Commission such recommendations for legislative and administrative changes as it deems necessary or desirable. The Civil Service Commission shall timely transmit to the appropriate committee of Congress any such recommendations.

(b) Each department, agency, and instrumentality (including the United States Postal Service and the Postal Rate Commission) in the executive branch shall, within one hundred and eighty days after the date of enactment of this Act, submit to the Civil Service Commission and to the Committee an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality. Such plan shall include a description of the extent to which and methods whereby the special needs of handicapped employees are being met. Such plan shall be updated annually, and shall be reviewed annually and approved by the Commission, if the Commission determines, after consultation with the Committee, that such paln provides sufficient assurances, procedures and commitments to provide adequate hiring, placement, and advancement opportunities for handicapped individuals.

(c) The Civil Service Commission, after consultation with the Committee, shall develop and recommend to the Secretary for referral to the appropriate State agencies, policies and procedures which will facilitate the hiring, placement, and advancement in employment of individuals who have received rehabilitation services under State vocational rehabilitation programs, veterans' programs, or any other program for handicapped individuals, including the promotion of job opportunities for such individuals. The Secretary shall encourage such State agencies to adopt and implement such policies and procedures.

(d) The Civil Service Commission, after consultation with the Committee, shall, on June 30, 1974, and at the end of each subsequent fiscal year, make a complete report to the appropriate committees of the Congress with respect to the practices of and achievements in hiring, placement, and advancement of handicapped individuals by each department, agency, and instrumentality and the effectiveness of the affirmative action programs required by subsection (b) of this section, together with recommendations as to legislation which have been submitted to the Civil Service Commission under subsection (a) of this section, or other appropriate action to insure the adequacy of such practices. Such report shall also include an evaluation by the Committee of the effectiveness of the Civil Service Commission's activities under subsection (b) and (c) of this section.

(e) An individual who, as a part of his individualized written rehabilitation program under a State plan approved under this Act,

participates in a program of unpaid work experience in a Federal agency, shall not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leaves, unemployment compensation, and Federal employee benefits.

(f)(1) The Secretary of Labor and the Secretary of Education are authorized and directed to cooperate with the President's Committee on Employment of the Handicapped in carrying out its functions.

(2) In selecting personnel to fill all positions on the President's Committee on Employment of the Handicapped, special consideration shall be given to qualified handicapped individuals.

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 502. (a)(1) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed as follows:

(A) Eleven members shall be appointed by the President from among members of the general public of whom five shall be handicapped individuals.

(B) The remaining members shall be the heads of each of the following departments or agencies (or their designees whose positions are executive level IV or higher):

(i) Department of Health and Human Services.
(ii) Department of Transportation.
(iii) Department of Housing and Urban Development.
(iv) Department of Labor.
(v) Department of the Interior.
(vi) Department of Defense.
(vii) Department of Justice.
(viii) General Services Administration.
(ix) Veterans' Administration.
(x) United States Postal Service.
(xi) Department of Education.

The President shall appoint the first Chairman of such Board who shall serve for a term of not more than two years; thereafter the Chairman shall be elected by a vote of a majority of the Board for a term of one year.

(2) The term of office of each appointed member of the Board shall be three years; except that (i) the member first taking office shall serve, as designated by the President at the time of appointment, four for a term of one year, four for a term of two years, and three for a term of three years, and (ii) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(3) If any appointed member of the Board becomes a Federal employee, such member may continue as a member of the Board for not longer than the sixty-day period beginning on the date he becomes such an employee.

(4) No individual appointed under paragraph (1)(A) of this subsection who has served as a member of the Board may be reappointed

to the Board more than once unless such individual has not served on the Board for a period of two years prior to the effective date of such individual's appointment.

(5)(A) Members of the Board who are not regular full-time employees of the United States shall, while serving on the business of the Board, be entitled to receive compensation at rates fixed by the President, but not to exceed the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code including traveltime, for each day they are engaged in the performance of their duties as members of the Board; and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carring out their duties under this section.

(B) Members of the Board who are employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out their duties under this section.

(b) It shall be the function of the Board to: (1) insure compliance with the standard prescribed pursuant to the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968 (including the application of that Act to the United States Postal Service) including but not limited to enforcing all standards under that Act, and insuring that all waivers and modifications of standards are based upon findings of fact and are not inconsistent with the provisions of such Act and this section: (2) investigate and examine alternative approaches to the architectural, transportation, communication, and attitudinal barriers confronting handicapped individuals, particularly with respect to telecommunications devices, public buildings and monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local), and residential and institutional housing; (3) determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standards prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make to the President and to Congress reports which shall describe in detail the results to its investigations under clauses (2) and (3) of this subsection; (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers described in clause (2) of this subsection; (7) establish minimum guidelines and requirements for the standards issued pursuant to the Act of August 12, 1968, as amended, commonly known as the Architectural Barriers Act of 1968; and (8) insure that public conveyances, including rolling stock, are readily accessible to, and usable by, physically handicapped persons.

(c) The Board shall also (1)(A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when

such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems (including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individuals or to meet sheltered housing needs; and (3) prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(d)(1) In carrying out its functions under this Act, the Board shall, directly or through grants to public or private nonprofit organizations or contracts with private nonprofit or for profit organizations, carry out its functions under subsections (b) and (c) of this section, and shall conduct investigations, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). Except as provided in paragraph (3) of subsection (e), the provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review. Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building or public conveyance or rolling stock found not to be in compliance with standards enforced under this section. Pursuant to chapter 7 of title 5, United States Code, any complainant or participant in a proceeding under this subsection may obtain review of a final order issued in such proceeding.

(2) The Executive Director is authorized, at the direction of the Board—

(A) to bring a civil action in any appropriate United States district court to enforce, in whole or in part, any final order of the Board under this subsection; and

(B) to intervene, appear, and participate, or to appear as amicus curiae, in any court of the United States or in any court of a State in civil actions which related to this section or to the Architectural Barriers Act of 1968.

Except as provided in section 518(a) of title 28, United States Code, relating to litigation before the Supreme Court, the Executive Director may appear for and represent the Board in any civil litigation brought under this section

(3) The Board, in consultation and coordination with other concerned Federal departments and agencies and agencies within the Department of Education, shall develop standards and provide appropriate technical assistance to any public or private activity,

person, or entity affected by regulations prescribed pursuant to this title with respect overcoming to architectural, transportation, and communication barriers. Any funds appropriated to any such department or agency for the purpose of providing such assistance may be transferred to the Board for the purpose of carrying out this paragraph. The Board may arrange to carry out its responsibilities under this paragraph through such other departments and agencies for such periods as the Board determines is appropriate. In carrying out its technical assistance responsibilities under this paragraph, the Board shall establish a procedure to insure separation of its compliance and technical assistance responsibilities under this section.

(e)(1) There shall be appointed by the Board an Executive Director and such other professional and clerical personnel as are necessary to carry out its functions under this Act. The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(2) The Executive Director shall exercise general supervision over all personnel employed by the Board (other than hearing examiners and their assistants). The Executive Director shall have final authority on behalf of the Board, with respect to the investigation of alleged noncompliance in the issuance of formal complaints before the Board, and shall have such other duties as the Board may prescribe.

(3) For the purpose of this section, an order of compliance issued by a hearing examiner shall be deemed to be an order of the Board and shall be the final order for the purpose of judicial review.

(f) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative, or other assistance as it may require to carry out its functions under this section, and the Board may appoint such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section. Specal advisory and technical experts and consultants appointed pursuant to this subsection shall, while performing their functions under this section, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily pay rate, for a person employed as a GS–18 under section 5332 of title 45, United States Code, including traveltime, and while serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(g) The Board shall, at the end of each fiscal year, report its activities during the preceding fiscal year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (5) and (6) of subsection (b) of this section. The Board shall prepare two final reports of its activities under subsection (c). One such

report shall be on its activities in the field of the transportation barriers to handicapped individuals, and the other such report shall be on its activities in the field of the housing needs of handicapped individuals. The Board shall, not later than September 30, 1975, submit each such report, together with its recommendations, to the President and the Congress. The Board shall also prepare for such submission an interim report of its activities in each such field within 18 months after the date of enactment of this Act.

(h)(1) Within one year following the enactment of this subsection, the Board shall submit to the President and the Congress a report containing an assessment of the amounts required to be expended by States and by political subdivisions thereof to provide handicapped individuals with full access to all programs and activities receiving Federal assistance.

(2) The Board may make grants to, or enter into contracts with, public or private organizations to carry out its duties under subsections (b) and (c). The Board may also make grants to any designated State unit for the purpose of conducting studies to provide the cost assessments required by paragraph (1). Before including in such report the findings of any study conducted for the Board under a grant or contract to provide the Board with such cost assessments, the Board shall take all necessary steps to validate the accuracy of any such findings.

(i) There are authorized to be appropriated for the purpose of carrying out the duties and functions of the Board under this section such sums as may be necessary for each fiscal year ending before [October 1, 1982] *October 1, 1984*, but in no event shall the amount appropriated for any one fiscal year exceed $3,000,000.

EMPLOYMENT UNDER FEDERAL CONTRACTS

SEC. 503. (a) Any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction) for the United States shall contain a provision requiring that, in employing persons to carry out such contract the party contracting with the United States shall take affirmative action to employ and advance in employment qualified handicapped individuals as defined in section 7(7). The provisions of this section shall apply to any subcontract in excess of $2,500 entered into by a prime contractor in carrying out any contract for the procurement of personal property and nonpersonal services (including construction) for the United States. The President shall implement the provisions of this section by promulgating regulations within ninety days after the date of enactment of this section.

(b) If any handicapped individual believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to employment of handicapped individuals, such individual may file complaint with the Department of Labor. The Department shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant, consistent with the terms of such contract and the laws and regulations applicable thereto.

(c) The requirements of this section may be waived, in whole or in part, by the President with respect to a particular contract or subcontract, in accordance with guidelines set forth in regulations which he shall prescribe, when he determines that special circumstances in the national interest so require and states in writing his reasons for such determination.

NONDISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS

SEC. 504. No otherwise qualified handicapped individual in the United States, as defined in section 7(7), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service. The head of each such agency shall promulgate such regulations as may be necessary to carry out the amendments to this section made by the Rehabilitation, Comprehensive Services, and Developmental Disabilities Act of 1978. Copies of any proposed regulation shall be submitted to appropriate authorizing committees of the Congress, and such regulation may take effect no earlier than the thirtieth day after the date on which such regulation is so submitted to such committees.

REMEDIES AND ATTORNEYS' FEES

SEC. 505. (a)(1) The remedies, procedures, and rights set forth in section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16), including the application of sections 706(f) through 706(k) (42 U.S.C. 2000e–5 (f) through (k)), shall be available, with respect to any complaint under section 501 of this act, to any employee or applicant for employment aggrieved by the final disposition of such complaint, or by the failure to take final action on such complaint. In fashioning an equitable or affirmative action remedy under such section, a court may take into account the reasonableness of the cost of any necessary work place accommodation, and the availability of alternatives therefor or other appropriate relief in order to achieve an equitable and appropriate remedy.

(2) The remedies, procedures, and rights set forth in title VI of the Civil Rights Act of 1964 shall be available to any person aggrieved by an act or failure to act by any recipient of Federal assistance or Federal provider of such assistance under section 504 of this Act.

(b) In any action or proceeding to enforce or charge a violation of a provision of this title, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.

SECRETARIAL RESPONSIBILITIES

SEC. 506. (1) The Secretary may provide directly or by contract with State vocational rehabilitation agencies or experts or consultants or groups thereof, technical assistance—

(A) to persons operating rehabilitation facilities; and

(B) with the concurrence of the Board established by section 502, to any public or nonprofit agency, institution, or organization;

for the purpose of assisting such persons or entities in removing architectural, transportation, or communication barriers. Any concurrence of the Board under this paragraph shall reflect its consideration of the cost studies carried out by States under section 502(c)(1).

(2) Any such experts or consultants, while serving pursuant to such contracts, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily equivalent of the rate of basic pay payable for grade GS–18 of the General Schedule, under section 5332 of title 5, United States code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(3) The Secretary, with the concurrence of the Board and the President may provide, directly or by contract, financial assistance to any public or nonprofit agency, institution, or organization for the purpose of removing architectural, transportation, and communication barriers. No assistance may be provided under this paragraph until a study demonstrating the need for such assistance has been conducted and submitted under section 502(h)(2) of this title.

(4) In order to carry out this section, there are authorized to be appropriated such sums as may be necessary.

INTERAGENCY COORDINATING COUNCIL

SEC. 507. There shall be established an Interagency Coordinating Council (hereinafter referred to in this section as the "Council") composed of the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Attorney General, the Chairman of the United States Civil Service Commission, the Chairman of the Equal Employment Opportunity Commission, and the Chairman of the Architectural and Transportation Barriers Compliance Board. The Council shall have the responsibility for developing and implementing agreements, policies, and practices designed to maximize effort, promote efficiency, and eliminate conflict, competition, duplication, and inconsistencies among the operations, functions and jurisdictions of the various departments, agencies, and branches of the Federal Government responsible for the implementation and enforcement of the provisions of this title, and the regulations prescribed thereunder. On or before July 1 of each year, the Council shall transmit to the President and to the Congress a report ot its activities, together with such recommendations for legislative or administrative changes as it concludes are desirable to further promote the purposes of this section. Nothing in this section shall impair any responsibilities assigned by any Executive Order to any Federal department, agency, or instrumentality to act as a lead Federal agency with respect to any provisions of this title.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

SHORT TITLE

SEC. 601. This title may be cited as the "Employment Opportunities for Handicapped Individuals Act".

PART A—COMMUNITY SERVICE EMPLOYMENT PILOT PROGRAMS FOR HANDICAPPED INDIVIDUALS

ESTABLISHMENT OF PILOT PROGRAM

SEC. 611. (a) In order to promote useful opportunities in community services activities for handicapped individuals who have poor employment prospects, the Secretary of Labor (hereinafter in this part referred to as the "Secretary") is authorized to establish a community service employment pilot program for handicapped individuals. For purposes of this part, the term "eligible individuals" means persons who are handicapped individuals (as defined in section 7(7) of this Act) and who are referred to programs under this part by designated State units.

(b)(1) The Secretary may enter into agreements with public or private nonprofit agencies or organizations, including national organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed govening officials), or a combination of such political subdivisions, or tribal organizations in order to carry out the pilot program referred to in subsection (a). Such agreements may include provisions consistent with subsection (c) for the payment of the costs of projects developed by such organizations and agencies in cooperation with the Secretary. No payment shall be made by the Secretary toward the cost of any such project unless the Secretary determines that:

(A) Such project will provide employment only for eligible individuals, except that if eligible individuals are not available to serve as technical, administrative, or supervisory personnel for a project then such personnel may be recruited from among other individuals.

(B) Such project will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities.

(C) Such project will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954, except for projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship.

(D) Such project will contribute to the general welfare of the community in which eligible individuals are employed under such project.

(E) Such project (i) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (ii) will not result in any displacement of current-

ly employed workers (including partial displacement, such as a reduction in the hours of nonovertime work or wages or employment benefits), and (iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed.

(F) Such project will not employ any eligible individual to perform work which is the same or substantially the same as that performed by any other person who is on layoff from employment with the agency or organization sponsoring such project.

(G) Such project will utilize methods of recruitment and selection (including the listing of job vacancies with the State agency units designated under section 101(a)(2)(A) to administer vocational rehabilitation services under this Act) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project.

(H) Such project will provide for (i) such training as may be necessary to make the most effective use of the skills and talents of individuals who are participating in the project, and (ii) during the period of such training, a reasonable subsistence allowance for such individuals and the payment of any other reasonable expenses related to such training.

(I) Such project will provide safe and healthy working conditions for any eligible individual employed under such project and will pay any such individual at a rate of pay not lower than the rate of pay described in paragraph (2).

(J) Such project will be established or administered with the advice of (i) persons competent in the field of service in which employment is being provided, and (ii) persons who are knowledgeable with regard to the needs of handicapped individudals.

(K) Such project will pay any reasonable costs for work-related expenses, transportation, and attendant care incurred by eligible individuals employed under such project in accordance with regulations prescribed by the Secretary.

(L) Such project will provide appropriate placement services for employees under the project to assist them in locating unsubsidized employment, when the Federal assistance for the project terminates.

(2) The rate of pay referred to in subparagraph (I) of paragraph (1) is the highest of the following:

(A) The prevailing rate of pay for persons employed in similar occupations by the same employer.

(B) The minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 if such employee were not exempt from such Act under section 13 thereof.

(C) The State or local minimum wage for the most nearly comparable covered employment.

The Department of Labor shall not issue any certificate of exemption under section 14(c) of the Fair Labor Standards Act of 1938 with respect to any person employed in a project under this section.

(c)(1) The Secretary may pay not to exceed 90 percent of the cost of any project which is the subject of any agreement entered into

under subsection (b). Notwithstanding the preceding sentence, the Secretary may pay all of the costs of any such project which is (A) an emergency or disaster project, or (B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Director of the Community Services Administration.

(2) The non-Federal share of any project under this part may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.

(d) Payments under this part may be made in advance or by way of reimbursement, and in such installments as the Secretary may determine.

ADMINISTRATION

SEC. 612. (a) In order to effectively carry out the provisions of this part, the Secretary shall, through the Commissioner of the Rehabilitation Services Administration, consult with any designated State unit with regard to—

(1) the localities in which community service projects of the type authorized by this part are most needed;

(2) the employment situations and types of skills possessed by eligible individuals in such localities; and

(3) potential projects suitable for funding in such localities.

(b) The Secretary shall coordinate the pilot program established under this part with programs authorized under the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, and the Emergency Employment Act of 1971. Appropriations under this part may not be used to carry out any program under the Acts referred to in the preceding sentence.

(c) In carrying out this part, the Secretary may, with the consent of any other Federal, State, or local agency, use the services, equipment, personnel, and facilities of such agency with or without providing such agency with reimbursement and may use the services, equipment, and facilities of any other public or private entity on a similar basis.

(d) Within one hundred and eighty days after the effective date of this part, the Secretary shall issue and publish in the Federal Register such regulations as may be necessary to carry out this part.

(e) The Secretary shall not delegate any function of the Secretary under this part to any other department or agency of the Federal Government.

PARTICIPANTS NOT FEDERAL EMPLOYEES

SEC. 613. (a) Eligible individuals who are employed in any project funded under this part shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

(b) No contract shall be entered into under this part with a contractor who is, or whose employees are, under State law, exempted from operation of any State workmen's compensation law generally

applicable to employees, unless the contractor shall undertake to provide for persons to be employed under such contract, through insurance by a recognized carrier or by self-insurance authorized by State law, workmen's compensation coverage equal to that provided by law for covered employment.

(c) No part of the wages, allowances, or reimbursement for transportaiton and attendant care costs made available to an eligible individual employed in any project funded under this part shal be treated as income or benefits for the purpsoe of any other program or provision of State or Federal law, unless the Secretary makes a case by case determination that disallowance of such income or benefits is inequitable or does not carry out the pruposes of this title.

INTERAGENCY COOPERATION

SEC. 614. (a) The Secretary shall consult with, and obtain the writen views of, the Commissioner of the Rehabilitation Services Administration before establishing rules or general policy in the administration of this part.

(b) The Secretary shall consult and cooperate with the Director of the Community Services Administration, the Secretary of Health, Education, and Welfare, and the heads of other Federal agencies carrying out related programs, in order to achieve maximum coordination between such programs and the program established under this part. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this part and in identifying individuals eligible for employment in projects assisted under this part.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 615. (a)(1) Preference in awarding grants or contracts under this part shall be given to organizations of proven ability in providing employment services to handicapped individuals under this program and similar programs. The Secretary, in awarding grants and contracts under this section, shall, to the extent feasible, assure an equitable distribution of activities under such grants and contracts among the States, taking into account the needs of underserved States.

(2) The Secretary shall allot for projects within each State the sums appropriated for any fiscal year under section 617 so that each State will receive an amount which bears the same ratio to such sums as the population of the State bears to the population of all the States.

(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for such year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year. The total of such reductions shall be similarly

realloted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration (1) the proportion which eligible individuals in each such area bears to the total number of such individuals, respectively, in that State, and (2) the relative distribution of such individuals residing in rural and urban areas within the State.

DEFINITIONS

SEC. 616. For purposes of this part—

(1) the term "community service" means social, health, welfare, and educational services, legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe;

(2) the term "pilot program" means the community service employment program for handicapped individuals established under this part; and

(3) the term "attendant care" means interpreter services for the deaf, reader services for the blind, and services provided to assist mentally retarded individuals to perform duties of employment.

AUTHORIZATION OF APPROPRIATIONS

[SEC. 617. There are authorized to be appropriated to carry out the purposes of this part $35,000,000 for the fiscal year ending September 30, 1979, $50,000,000 for the fiscal year ending September 30, 1980, $75,000,000 for the fiscal year ending September 30, 1981, and $100,000,000 for the fiscal year ending September 30, 1982.]

SEC. 617. *There are authorized to be appropriated to carry out the provisions of this part such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.*

PART B—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

PROJECTS WITH INDUSTRY

SEC. 621. (a)(1) The Commissioner, in consultation with the Secretaries of Labor and Commerce and with designated State units, may enter into agreements with individual employers, designated State units and other entities to establish jointly financed projects which—

(A) shall provide handicapped individuals with training and employment in a realistic work setting in order to prepare them for employment in the competitive market;

(B) shall provide handicapped individuals with such supportive services as may be required to permit them to continue to engage in the employment for which they have received training under this section; and

(C) shall, to the extent appropriate, expand job opportunities for handicapped individuals by providing for (i) the development and modification of jobs to accommodate the special needs of such individuals, (ii) the distribution of special aids, appliances, or adapted equipment to such individuals, (iii) the establishment of appropriate job placement services, and (iv) the modification of any facilities or equipment of the employer which are to be used primarily by handicapped individuals.

(2) Any agreement under this subsection shall be jointly developed by the Commissioner, the prospective employer, and, to the extent practicable, the appropriate designated State unit and the handicapped individuals involved. Such agreements shall specify the terms of training and employment under the project, provide for the payment by the Commissioner of part of the costs of the project (in accordance with subsection (c)), and contain the items required under subsection (b) and such other provisions as the parties to the agreement consider to be appropriate.

(3) The Commissioner shall develop and publish standards to assure satisfactory performance under agreements entered into under this subsection not later than July 1, 1984. No standards may be established under this paragraph unless the standards are approved by the National Council on the Handicapped.

(4)(A) The Commissioner shall continue to provide financial assistance under each agreement of this section if—

(i) the parties to that agreement include provisions for agreement which are at least as stringent as the standards established under paragraph (3); and

(ii) the Commissioner determines that the parties to that agreement have substantially met the performance standards set forth in the agreement.

(B) The parties to each agreement receiving assistance under this section in the fiscal year in which this paragraph is enacted shall continue to receive assistance until October 1, 1984, unless the Commissioner determines that there is a substantial failure to comply with the agreement.".

(b) No payment shall be made by the Commissioner under any agreement with an employer entered into under subsection (a) unless such agreement—

(1) provides assurances that handicapped individuals placed with such employer shall receive at least the applicable minimum wage;

(2) specifies that the Commissioner, together with the designated State unit, has the right to receive any termination of employment, and that, in the event such termination occurs less than three years after the date of the commencement of employment of the handicapped individual involved, the Commissioner shall be entitled to require the repayment of a portion of the funds made available to the employer if such termination is without reasonable cause, as determined by the Commissioner in consultation with such designated State unit; and

(3) provides assurances that any handicapped individual placed with such employer shall be afforded terms and benefits of employment equal to those which are afforded to other employees of such employer, and that such handicapped individuals shall not be unreasonably segregated from other employees.

(c) The Commissioner shall to the extent practicable assure an equitable distribution of payments made under this section among the States.

[(c)](*d*) Payments under this section with respect to any project may not exceed 80 per centum of the costs of the project.

BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

SEC. 622. The Commissioner, in consultation with the Secretaries of Labor and Commerce, may make grants to, or enter into contracts with, handicapped individuals to enable them to establish or operate commercial or other enterprises to develop or market their products or services. Within ninety days after the effective date of this section, the Commissioner shall promulgate regulations to carry out this section, including regulations specifying (1) the maximum amount of money which may be provided under this section to any participant, and (2) procedures for certification, by designated State units, of individuals eligible to participate in any program under this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 623. There are authorized to be appropriated such sums as may be necessary to carry out the provisions [of this part for each fiscal year beginning before October 1, 1982.] *for section 621, $13,000,000 for fiscal year 1984, $14,400,000 for fiscal year 1985, and $15,200,000 for fiscal year 1986; and for section 622, such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.*

TITLE VII—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

PART A—COMPREHENSIVE SERVICES

PURPOSE

SEC. 701. The purpose of this title is to authorize grants (supplementary to grants for vocational rehabilitation services under title I) to assist States in providing comprehensive services for independent living designed to meet the current and future needs of individuals whose disabilities are so severe that they do not presently have the potential for employment but may benefit from vocational rehabilitation services which will enable them to live and function independently.

ELIGIBILITY

SEC. 702. Services may be provided under this title to any individual whose ability to engage or continue in employment, or whose ability to function independently in his family or communi-

ty, is so limited by the severity of his disability that vocational or comprehensive rehabilitation services appreciably more costly and of appreciably greater duration than those vocational or comprehensive rehabilitation services required for the rehabilitation of a handicapped individual are required to improve significantly either his ability to engage in employment or his ability to function independently in his family or community. Priority of services under this part shall be given to individuals not served by other provisions of this Act.

(b) For purposes of this title, the term "comprehensive services for independent living" means any appropriate vocational rehabilitation service (as defined under title I of this Act) and any other service that will enhance the ability of a handicapped individual to live independently and function within his family and community and, if appropriate, secure and maintain appropriate employment. Such services may include any of the following: counseling services, including psychological, psychotherapeutic, and related services; housing incidental to the purpose of this section (including appropriate accommodations to and modification of any space to serve handicapped individuals); appropriate job placement services; transportation; attendant care; physical rehabilitation; therapeutic treatment; needed prostheses and other appliances and devices; health maintenance; recreational activities; services for children of preschool age, including physical therapy, development of language and communication skills, and child development services; and appropriate preventive services to decrease the needs of individuals assisted under the program for similar services in the future.

ALLOTMENTS

SEC. 703. (a)(1) From sums made available for each fiscal year for the purposes of allotments under this subpart, each State whose comprehensive services plan has been approved under section 705 shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all States. Except as provided in paragraph (2), the allotment to any State under the preceding sentence shall be not less than $200,000 or one-third of 1 percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater, and the allotment of any State under this section for any fiscal year which is less than $200,000 or one-third of 1 percent of such sums shall be increased to the greater of the two amounts.

(2) For the purposes of this subsection, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands shall not be considered as States and shall each be allotted not less than one-eighth of 1 percent of the amounts made available for purposes of this subpart for the fiscal year for which the allotment is made.

(b) Amounts necessary to increase the allotments of States under paragraph (1) or to provide allotments under paragraph (2) shall be derived by proportionately reducing the allotments of the remaining States under paragraph (1), but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than the greater of $200,000 or

one-third of 1 percent of the sums made available for purposes of this subpart for the fiscal year for which the allotment is made.

(c) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this section to one or more of the States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES FROM ALLOTMENTS

SEC. 704. (a) From each State's allotment for a fiscal year under section 703, the State shall be paid the Federal share of the expenditures incurred during such year under its State plan approved under section 705. Such payments may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions as the Commissioner may determine.

(b)(1) The Federal share with respect to any State for any fiscal year shall be 90 percent of the expenditures incurred by the State during such year under its State plan approved under section 705.

(2) The non-Federal share of the cost of any project assisted by an allotment under this subpart may be provided in kind.

(3) For the purpose of determining the Federal share with respect to any State, expenditures by a political subdivision of such State shall, subject to regulations prescribed by the Commissioner, be regarded as expenditures by such State.

STATE PLANS

SEC. 705. (a) In order to be eligible for grants under this part, a State shall submit to the Commissioner a State plan for a three-year period for providing comprehensive services for independent living to severely handicapped individuals, and, upon request of the Commissioner, shall make such annual revisions in the plan as may be necessary. Each such plan shall—

(1) designate the designated State unit of such State as the agency to administer the programs funded under this part;

(2) demonstrate that the State has studied and considered a wide variety of methods for providing comprehensive services to severely handicapped individuals (such as regional and community centers, halfway houses, and patient-release programs) and that the State will provide, to the maximum extent feasible, meaningful alternatives to institutionalization;

(3)(A) describe the quality, scope, and extent of the comprehensive services for independent living to be provided to handicapped individuals under this part, and specify the State's goals and plans with respect to the distribution of funds received under part B of this title; and

(B) provide satisfactory assurances that facilities used in connection with the delivery of services assisted under this part and part B of this title will comply with the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968;

(4) provide assurances that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for independent living services under this part; (B) such services will be provided in accordance with such program; and (C) that such program be coordinated with the individualized written rehabilitation program, habilitation plan, or education program for such individual required under section 102 of this Act, section 112 of the Developmental Disabilities Services and Facilities Construction Act, and sections 612(4) and 614(a)(5) of the Education for All Handicapped Children Act of 1975, respectively;

(5) provide assurances that the State will conduct periodic reviews of the progress of individuals assisted under this title to determine whether services provided to such individuals should be continued, modified, or discontinued;

(6) provide assurances that special efforts will be undertaken to provide technical assistance to urban and rural poverty areas with respect to the provision of comprehensive services for severely handicapped individuals and describe such efforts;

(7) provide assurances that handicapped individuals shall have a substantial role in developing the State plan;

(8) provide assurances that not less than 20 percent of the funds received by a State under this part shall be used to make grants to local public agencies and private nonprofit organizations for the conduct of independent living services except that the Commissioner may waive the requirement of this clause if the Commissioner determines, on the basis of evidence submitted by the State, that such State cannot feasibly use the funds required to be expended under this section for the purposes of this clause; and

(9) contain such other information, and be submitted in such form and in accordaance with such procedures, as the Commissioner may require.

(b) As soon as practicable after receiving a State plan submitted under subsection (a), the Commissioner shall approve or disapprove such plan. The Commissioner shall approve any State plan which he determines meets the requirements and purposes of this section. The provisions of subsections (b), (c), and (d) of section 101 of this Act shall apply to any State plan submitted to the Commissioner pursuant to this section, except that for purposes of this section, all references in such subsections to the Secretary shall be deemed to be references to the Commissioner.

PART B—CENTERS FOR INDEPENDENT LIVING

GRANT PROGRAM ESTABLISHED

SEC. 711. (a) The Commissioner may make grants to any designated State unit which administers the State plan under section 705 to provide for the establishment and operation of independent living centers, which shall be facilities offering the services described in subsection (c)(2).

(b) No grant may be made under this section unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application for a grant unless the application—

(1) contains assurances that the designated State unit will use funds provided by such grant in accordance with subsection (c); and

(2) contains such other information, and is submitted in such form and in accordance with such procedures, as the Commissioner may require.

(c) An application by a public or nonprofit agency or organization for such grant shall—

(1) provide assurances that handicapped individuals will be substantially involved in policy direction and management of such center, and will be employed by such center;

(2) contain assurances that the independent living center to be assisted by such grant shall offer handicapped individuals a combination of independent living services, including as appropriate—

(A) intake counseling to determine the client's need for specific rehabilitation services;

(B) referral and counseling services with respect to attendant care;

(C) counseling and advocacy services with respect to legal and economic rights and benefits;

(D) independent living skills, counseling, and training, including such programs as training in the maintenance of necessary equipment and in jobseeking skills, counseling on therapy needs and programs, and special programs for the blind and deaf;

(E) housing and transportation referral and assistance;

(F) surveys, directories, and other activities to identify appropriate housing and accessible transportation, and other support services;

(G) health maintenance programs;

(H) peer counseling;

(I) community group living arrangements;

(J) education and training necessary for living in the community and participating in community activities;

(K) individual and group social and recreational activities;

(L) other programs designed to provide resources, training, counseling, services, or other assistance of substantial benefit in promoting the independence, productivity, and quality of life of handicapped individuals;

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(M) attendant care and training of personnel to provide such care; and

(N) such other services as may be necessary and not inconsistent with the provisions of this title; and

(3) contain such other information, and be submitted in such form and in accordance with such procedures, as the Commissioner may require.

(d) If, within six months after the date in each fiscal year on which the Commissioner begins to accept applications from designated State units under this section, a designated State unit in a State has not submitted such an application, the Commissioner may accept applications for grants under this section from local public agencies or private nonprofit organizations within such State. After the receipt of such applications, the Commissioner may make grants to such agencies or organizations for the purpose of establishing independent living centers to provide the services described in subsection (c)(2).

(e)(1) The Commissioner shall, not later than July 1, 1984, develop and publish standards to review and evaluate the operation of independent living centers receiving assistance under this title and make recommendations for the improvement and continuation of each such center and for the support of new independent living centers. No standards may be established under this paragraph unless the standards are approved by the National Council on the Handicapped.

(2) In the development of the standards required by this subsection the Commissioner shall obtain the recommendations of independent living centers and professionals and associations serving handicapped individuals, particularly associations engaged in rehabilitation research.

(f) Each independent living center receiving assistance under this title in the fiscal year in which this subsection is enacted shall continue to receive assistance until such time as the final evaluation report required by section 14 has been submitted to the appropriate committees of the House of Representatives and Senate, unless the Commissioner determines that there is a substantial failure to comply with the provisions of the approved application.

PART C—INDEPENDENT LIVING SERVICES FOR OLDER BLIND INDIVIDUALS

SERVICE PROGRAM ESTABLISHED

SEC. 721. (a) The Commissioner may make grants to any designated State unit to provide independent living services to older blind individuals. Such services shall be designed to assist an older blind individual to adjust to his blindness by becoming more able to care for his individual needs. Such services may include—

(1) services to help correct blindness such as (A) outreach services, (B) visual screening, (C) surgical or therapeutic treatment to prevent, correct, or modify disabling eye conditions, and (D) hospitalization related to such services;

(2) the provision of eyeglasses and other visual aids;

(3) the provision of services and equipment to assist an older blind individual to become more mobile and more able to care for himself;

(4) mobility training, Braille instruction, and other services and equipment to help an older blind individual adjust to blindness;

(5) guide services, reader services, and transportation; and

(6) any other appropriate services designed to assist a blind person in coping with daily living activities, including supportive services or rehabilitation teaching services.

(b) No grant may be made under this section unless an application therefor, containing such information as the Commissioner may require, has been submitted to and approved by the Commissioner. The Commissioner may not approve any application for a grant unless the application contains assurances that the designated State unit will seek to incorporate any new methods and approaches relating to the services described in subsection (a) into its State plan for independent living services under section 705 of this title.

(c) Funds received under this section by any designated State unit may be used to make grants to public or private nonprofit agencies or organizations to—

(1) conduct activities which will improve or expand services for older blind individuals and help improve public understanding of the problems of such individuals; and

(2) provide independent living services to older blind individuals in accordance with the provisions of subsection (a).

(d) For purposes of this section, the term "older blind individual" means an individual aged fifty-five or older whose severe visual impairment makes gainful employment extremely difficult to attain but for whom independent living goals are feasible.

PART D—GENERAL PROVISIONS

PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

SEC. 731. (a) The Commissioner may make grants to States to establish systems to protect and advocate the rights of severely handicapped individuals. In order to be eligible for a grant under this section, a State shall provide the Commissioner with assurances that any system established with grants made under this section shall have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such individuals receiving services under this title within the State. A State must provide that such system will be independent of any designated State unit that provides services under this part to such individuals.

(b) No grant may be made under this section unless an application therefor has been submitted to the Commissioner containing such information and in such form and in accordance with such procedures as the Commissioner may, by regulation, prescribe.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 732. As a condition of providing assistance under this title, the Secretary shall require that each recipient of assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals under the provisions of this Act which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

PART E—AUTHORIZATIONS

AUTHORIZATION OF APPROPRIATIONS

[SEC. 731. (a) For the purpose of carrying out the provisions of part A, B, and C, of this title, there are authorized to be appropriated $80,000,000 for the fiscal year ending September 30, 1979, $150,000,000 for the fiscal year ending September 30, 1980, $200,000,000 for the fiscal year ending September 30, 1981, and such sums as may be necessary for the fiscal year ending September 30, 1982.

[(b) From the amounts authorized to be appropriated under this section, an amount shall be made available for the purpose of carrying out the provisions of Part C of this title in an amount not in excess of 10 percent of the amount made available for carrying out the provisions of subpart 1 of Part A of this title.

[(c)(1) For the purpose of carrying out Part D of this title, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending September 30, 1979, and for each of the three succeeding fiscal years, but in no event shall such sums exceed $6,000,000 for the fiscal year ending September 30, 1979, $7,500,000 for the fiscal year ending September 30, 1980, and $9,000,000 for the fiscal year ending September 30, 1981.]

SEC. 741. (a) There are authorized to be appropriated to carry out part A of this title such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.

(b) There are authorized to be appropriated to carry out part B of this title $21,000,000 for each of the fiscal years 1984, 1985, and 1986.

(c)(1) There are authorized to be appropriated to carry out part C of this title such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.

(2) The provisions of section 1913 of title 18 of the United States Code shall be applicable to all moneys authorized under the provisions of this subsection.

OTHER PROVISIONS OF PUBLIC LAW 95-602

SPECIAL STUDIES AND MISCELLANEOUS PROVISIONS

RESEARCH AND DEMONSTRATION PROJECTS

SEC. 401. (a) The Secretary of Health, Education, and Welfare is authorized to make grants to, and to enter into contract with, public and nonprofit agencies and organizations for the purpose of

research and demonstration projects specifically designed to address, the multiple and interrelated service needs of handicapped individuals, the elderly, and children, youths, adults, and families. A report evaluating each project funded under this section shall be submitted to appropriate committees of the Congress within four months after the date each such project is completed.

(b) There are authorized to be appropriated to carry out this section such sums as may be necessary.

No funds other than those appropriated pursuant to this subsection can be used for the conduct of research specifically authorized by this section.

(c) Within one year after the date appropriations are made under subsection (b) for purposes of research and demonstration projects under subsection (a), the Secretary shall prepare and transmit to the Congress a study concerning the impact of vocational rehabilitation services provided under the Rehabilitation Act of 1973 on recipients of disability payments under titles II and XVI of the Social Security Act. The study shall examine the relationship between the vocational rehabilitation services provided under the Rehabilitation Act of 1973 and the Programs under sections 222 and 1615 of the Social Security Act, and shall include—

(1) an analysis of the savings in disability benefit payments under titles II and XVI of the Social Security Act as a result of the provision of vocational rehabilitation services under the Rehabilitation Act of 1973;

(2) a specification of the rate of return to the active labor force by recipients of services under sections 222 and 1615 of the Social Security Act;

(3) a specification of the total amount of expenditures, in the five fiscal years preceding the date of submission of the report, for vocational rehabilitation services under the Rehabilitation Act of 1973 and under sections 222 and 1616 of the Social Security Act, and recommendations for the coordinated presentation of such expenditures in the Budget submitted by the President pursuant to section 201 of the Budget and Accounting Act, 1921; and

(4) recommendations to improve the coordination of services under the Rehabilitation Act of 1973 with programs under sections 222 and 1615 of the Social Security Act, including recommendations for increasing savings in disability benefits payments and the rate of return of the active labor force by recipients of services under sections 222 and 1615 of the Social Security Act.

SPECIAL STUDY CONCERNING HANDICAPPED INDIVIDUALS LIVING IN RURAL AREAS

SEC. 402 The Secretary, after consultation with the Commissioner of the Rehabilitation Services Administration, Commissioner of Education, the Director of the National Institute on Handicapped Research, and other appropriate officials, organizations, and individuals, shall conduct a study of the special problems and needs of handicapped individuals who reside in rural areas in the United States. Upon the completion of such study, but not later than

eighteen months after the date of enactment of this Act, the Secretary shall submit the results of such study, together with such recommendations as he deems appropriate to the President, and to the appropriate committees of the Congress.

SPECIAL STUDY CONCERNING DISINCENTIVES TO EMPLOYMENT

SEC. 403. In consultation with appropriate Federal departments and agencies, the Secretary shall conduct a study of possible ways to structure Federal programs providing benefits to handicapped individuals in order to eliminate any disincentives for individuals receiving benefits under such programs to obtain and continue in employment. Upon the completion of such study, but not later than twenty-four months after the date of enactment of this Act, the Secretary shall submit the results of such study, together with such recommendations as the Secretary deems appropriate to the President and the Congress.

PROHIBITION ON CERTAIN PROGRAMS

SEC. 404. No funds appropriated under the Rehabilitation Act of 1973, the Older Americans Act of 1965, or the Child Abuse Prevention and Treatment Act may be obligated or expended for research, demonstration, or evaluation programs or projects which are not directly managed and monitored by the office charged by law with direct responsibility for carrying out such research, demonstration, or evaluation programs or projects under such Acts and which are not specifically authorized in full by one or more such Acts.

LIMITATIONS ON AUTHORIZATIONS

SEC. 405. No authorization of appropriations in this Act (except for title V) shall be effective for any fiscal year beginning before October 1, 1978. Notwithstanding any other provision of this Act, no new borrowing authority or authority to enter into contracts under this Act (except for title V) shall be effective except to such extent or in such amounts as are provided in advance in appropriations Acts.

Mental Retardation Facilities and Community Health Centers Construction Act of 1963

(As amended by Public Laws 90–170, 91–517, 94–103, and 95–602)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963".

TITLE I—SERVICES AND FACILITIES FOR THE MENTALLY RETARDED AND PERSONS WITH OTHER DEVELOPMENTAL DISABILITIES

PART A—GENERAL PROVISIONS

SHORT TITLE

SEC. 100. This title may be cited as the "Developmental Disabilities Assistance and Bill of Rights Act".

FINDINGS AND PURPOSES

SEC. 101. (a) The Congress finds that—

(1) there are more than two million persons with develmental disabilities in the United States;

(2) individuals with disabilities occurring during their developmental period are more vulnerable and less able to reach an independent level of existence than other handicapped individuals who generally have had a normal developmental period on which to draw during the rehabilitation process;

(3) persons with developmental disabilities often require specialized lifelong services to be provided by many agencies in a coordinated manner in order to meet the persons' needs;

(4) general service agencies and agencies providing specialized services to disabled persons tend to overlook or exclude persons with developmental disabilities in their planning and delivery of services; and

(5) it is in the national interest to strengthen specific programs, especially programs that reduce or eliminate the need for institutional care, to meet the needs of persons with developmental disabilities.

(b)(1) It is the overall purpose of this title to assist States to assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through a system which coordinates, monitors, plans, and evaluates those services and which ensures the protection of the legal and human rights of persons with developmental disabilities.

(2) The specific purposes of this title are—

(A) to assist in the provision of comprehensive services to persons with developmental disabilities, with priority to those persons whose needs cannot be covered or otherwise met under the Education for All Handicapped Children Act, the Rehabilitation Act of 1973, or other health, education, or welfare program;

(B) to assist States in appropriate planning activites;

(C) to make grants to States and public and private, nonprofit agencies to establish model programs, to demonstrate innovative habilitation techniques, and to train professional and paraprofessional personnel with respect to providing services to persons with developmental disabilities;

(D) to make grants to university affiliated facilities to assist them in administering and operating demonstration facilities for the provision of services to persons with developmental dis-

abilities, and interdisciplinary training programs for personnel needed to provide specialized services for these persons; and

(E) to make grants to support a system in each State to protect the legal and human rights of all persons with developmental disabilities.

DEFINITIONS

SEC. 102. For purposes of this title:

(1) The term "State" includes Puerto Rico, Guam, the Northern Mariana Islands, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

(2) The term "facility for persons with developmental disabilities" means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

(3) The term "nonprofit facility for persons with developmental disabilities" and "nonprofit private institution of higher learning" mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term "nonprofit private agency or organization" means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

(4) The term "construction" includes construction of new buildings, acquisition, expansion, remodeling and alteration of existing buildings, and initial equipment of any such building (including medical transportation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

(5) The term "cost of construction" means the amount found by the Secretary to be necessary for the construction of a project.

(6) The term "title", when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

(7) The term "developmental disabilities" means a severe chronic disability of a person which—

(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(B) is manifested before the person attains age twenty-two;

(C) is likely to continue indefinitely;

(D) results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or

other services which are of lifelong or extended duration and are individually planned and coordinated.

(8)(A) The term "services for persons with developmental disabilities" means priority services (as defined in subparagraph (B)), and any other specialized services or special adaptations of generic services for persons with developmental disabilities, including in these services the diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and socio-legal services, information and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities.

(B) The term "priority services" means case management services (as defined in subparagraph (C)), child development services (as defined in subparagraph (D)), alternative community living arrangement services (as defined in subparagraph (E)), and nonvocational social-developmental services (as defined in subparagraph (F)).

(C) The term "case management services" means such services to persons with developmental disabilities as will assist them in gaining access to needed social, medical, educational, and other services; and such term includes—

(i) follow-along services which ensure, through a continuing relationship, lifelong if necessary, between an agency or provider and a person with a developmental disability and the person's immediate relatives or guardians, that the changing needs of the person and the family are recognized and appropriately met; and

(ii) coordination services which provide to persons with developmental disabilities support, access to (and coordination of) other services, information on programs and services, and monitoring of the persons' progress.

(D) The term "child development services" means such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, and includes (i) early intervention services, (ii) counseling and training of parents, (iii) early identification of developmental disabilities, and (iv) diagnosis and evaluation of such developmental disabilities.

(E) The term "alternative community living arrangement services" means such services as will assist persons with developmental disabilities in maintaining suitable residential arrangements in the community, and includes in-house services (such as personal aides and attendants and other domestic assistance and supportive services), family support services, foster care services, group living services, respite care, and staff training, placement, and maintenance services.

(F) The term "nonvocational social-developmental services" means such services as will assist persons with developmental disabilities in performing daily living and work activities.

(9) The term "satellite center" means an entity which is affiliated with one or more university affiliated facilities and which functions as a community or regional extension of such university

affiliated facility or facilities in the delivery of services to persons with developmental disabilities, and their families, who reside in geographical areas when adequate services are not otherwise available.

(10) The term "university affiliated facility" means a public or nonprofit facility which is associated with, or is an integral part of, a college or university and which provides for at least the following activities:

(A) Interdisciplinary training for personnel concerned with developmental disabilities.

(B) Demonstration of the provision of exemplary services relating to persons with developmental disabilities.

(C)(i) Dissemination of findings relating to the provision of services to persons with developmental disabilities, and (ii) providing researchers and government agencies sponsoring service-related research with information on the needs for further service-related research.

(1) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(12) The term "State Planning Council" means a State Planning Council established under section 137.

FEDERAL SHARE

SEC. 103. (a) The Federal share of any project to be provided through grants under part B and allotments under part C may not exceed 75 per centum of the necessary cost thereof as determined by the Secretary, except that if the project is located in an urban or rural property area, the Federal share may not exceed 90 per centum of the project's necessary costs as so determined.

(b) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

(c) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part C or by a university affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part B.

STATE CONTROL OF OPERATIONS

SEC. 104. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities with respect to which any funds have been or may be expended under this title.

RECORDS AND AUDIT

SEC. 105. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such

recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 106. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ an advance in employment qualified handicapped indidividuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contacts and subcontracts.

RECOVERY

SEC. 107. If any facility with respect to which funds have been paid under part B or C shall, at any time within twenty years after the completion of construction—

(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

(2) cease to be a public or other nonprofit facility for persons with developmental disabilitites,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

SEC. 108. Repealed Public Law 95–602, sec. 504(a), November 6, 1978.

REGULATIONS

SEC. 109. The Secretary, not later than 180 days after the date of enactment of any Act amending the provisions of this title, shall promulgate such regulations as may be required for the implementation of such amendments.

EVALUATION SYSTEM

SEC. 110. (a) The Secretary shall develop, not later than October 1, 1979, a comprehensive system for the evaluation of services provided to persons with developmental disabilities through programs (including residential and nonresidential programs) assisted under this title. The Secretary shall require, as a condition to a State's receipt of assistance on and after October 1, 1980, under this title, that the State submit to the Secretary, in such form and manner as he shall prescribe, a time-phased plan for the implementation of such system. The Secretary shall require, as a condition to a State's receipt of assistance on and after October 1, 1982, under this title, that the State provide assurances satisfactory to the Secretary that the State is using such a system.

(b) The evaluation system to be developed under subsection (a) shall—

(1) provide objective measures of the developmental progress of persons with developmental disabilities using data obtained from individualized habilitation plans as required under section 112 or other comparable individual data;

(2) provide a method of evaluating programs providing services for persons with developmental disabilities which method uses the measures referred to in paragraph (1); and

(3) provide effective measures to protect the confidentiality of records of, and information describing, persons with developmental disabilities.

(c) Upon development of the evaluation system described in subsection (b), the Secretary shall submit to Congress a report on the system, which report shall include an estimate of the costs to the Federal Government and the States of developing and implementing such a system.

RIGHTS OF THE DEVELOPMENTALLY DISABLED

SEC. 111. Congress makes the following findings respecting the rights of persons with developmental disabilities:

(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

(B) does not meet the following minimum standards:

(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

(ii) Provision to such persons of appropriate and sufficient medical and dental services.

(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

(iv) Prohibition of the excessive use of chemical restraints on such persons and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

(C) in the case of nonresidential programs which assure the care provided by such programs is appropriate to the persons served by the programs.

The rights of persons with developmental disabilities described in findings made in this section are in addition to any constitutional or other rights otherwise afforded to all persons.

HABILITATION PLANS

SEC. 112. (a) The Secretary shall require as a condition to a State's receiving an allotment under part C that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under such part (1) has in effect for each developmentally disable person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b) and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

(b) A habilitation plan for a person-with developmental disabilities shall meet the following requirements:

(1) The plan shall be in writing.

(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (C) where appropriate, such person's parents or guardian or other representative.

(3) The plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objectives relating to the attainments of such goals. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them, (B) state objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision.

PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

SEC. 113. (a) In order for a State to receive an allotment under part C, (1) the State must have in effect a system to protect and advocate the rights of persons with developmental disabilities, (2) such sytem must (A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State, (B) not be administered by the State Planning Council, and (C) be independent of any agency which provides treatment, services, or rehabilitation to persons with developmental disabilities, and (3) the State must submit to the Secretary in a form prescribed by the Secretary in regulations (A) a report, not less often than once every three years, describing the system, and (B) an annual report describing the activities carried out under the system and any changes made in the system during the previous year.

(b)(1)(A) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the sums appropriated under paragraph (2). Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under the first sentence of subsections (a)(1) and (d) of section 132, except that no State (other than Guam, the Northern Mariana Islands, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) in any fiscal year shall be allotted an amount under this subparagraph which is less than the greater of $50,000 or the amount of the allotment to the State under this paragraph for the previous fiscal year.

(B) Notwithstanding subparagraph (A), if the aggregate of the amounts of the allotments for grants to be made in accordance with such subparagraph for any fiscal year exceeds the total of the amounts appropriated for such allotments under paragraph (2), the amount of a State's allotment for such fiscal year shall bear the same ratio to the amount otherwise determined under such subparagraph as the total of the amounts appropriated for that year under paragraph (2) bears to the aggregate amount required to make an allotment to each of the States in accordance with subparagraph (A).

(2) [For allotments under paragraph (1), there are authorized to be appropriated $3,000,000 for fiscal year 1976, $3,000,000 for fiscal year 1977, $3,000,000 for fiscal year 1978, $9,000,000 for fiscal year ending September 30, 1979, $12,000,000 for the fiscal year ending September 30, 1980, and $15,000,000 for the fiscal year ending September 30, 1981.] *There is authorized to be appropriated for allotments under paragraph (1) $8,400,000 for fiscal year 1984.* The provisions of section 1913 of title 18, United States code, shall be applicable to all moneys authorized under the provisions of this section.

PART B—UNIVERSITY AFFILIATED FACILITIES

GRANT AUTHORITY

SEC. 121. (a) From appropriations under section 123, the Secretary shall make grants to university affiliated facilities to assist in the administration and operation of the activities described in section 102 (10).

(b) The Secretary may make one or more grants to a university affiliated facility receiving a grant under subsection (a) to support one or more of the following activities:

(1) Conducting a feasibility study of the way in which it, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can establish and operate one or more satellite centers which would be located in areas not served by a university affiliated facility. Such a study shall be carried out in consultation with the State Planning Council for the State in which the facility is located and where the satellite center would be established.

(2) Assessing the need for trained personnel in providing assistance to persons with developmental disabilities.

(3) Provision of service-related training to practitioners providing services to persons with developmental disabilities.

(4) Conducting an applied research program designed to produce more efficient and effective methods (A) for the delivery of services to persons with developmental disabilities, and (B) for the training of professionals, paraprofessionals, and parents who provide these services.

The amount of a grant under paragraph (1) may not exceed $25,000.

(c) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. The Secretary may approve an application for a grant under this subsection only if the feasibility of establishing or operating the satellite center for which the grant is applied for has been established by a study assisted under this section.

APPLICATIONS

SEC. 122. (a) Not later than six months after the date of the enactment of the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978, the Secretary shall establish by regulation standards for university affiliated facilities. These standards for facilities shall reflect the special needs of persons with developmental disabilities who are of various ages, and shall include performance standards relaing to each of the activities described in section 102(10).

(b) No grant may be made under section 121 unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application shall be approved by the Secretary only if the application contains or is supported by resasonable assurances that—

(1) the making of the grant will (A) not result in any decrease in the use of State, local, and other non-Federal funds for services for persons with developmental disabilities and for training of persons to provide such services, which funds would (except for such grant) be made available to the applicant, and (B) be used to supplement and, to the extent practicable, increase the level of such funds; and

(2)(A) the applicant's facility is in full compliance with the standards established under subsection (a), or

(B)(i) the applicant is making substantial progress toward bringing the facility into compliance with such standards, and (ii) the facility will, not later than three years after the date of approval of the initial application or the date standards are promulgated under subsecton (a), whichever is later, fully comply with such standards.

(c) The Secretary shall establish such a process for the review of applications for grants under section 121 as will ensure, to the maximum extent feasible, that each Federal agency that provides funds for the direct support of the applicant's facility reviews the application.

(d)(1) The amount of any grant under section 121(a) to a university affiliated facility shall not be less than $150,000 for any fiscal year.

(2) The amount of any grant under section 121(c) to a satellite center which has received a grant under section 121(b) (as a in effect before the date of the enactment of the Rehabilitation. Comprehensive Services, and Developmental Disabilities Amendments of 1978) for the fiscal year ending September 30, 1978, shall not be less than $75,000 for any fiscal year.

AUTHORIZATION OF APPROPRIATIONS

[SEC. 123. (a) For the purpose of making grants under section 121, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1979, $14,000,000 for the fiscal year ending September 30, 1980, and $16,000,000 for the fiscal year ending September 30, 1981.

[(b) Of the sums appropriated under subsection (a), not less than—

[(1) $9,000,000 for the fiscal year ending September 30, 1979,

[(2) $10,000,000 for the fiscal year ending September 30, 1980, and

[(3) $11,000,000 for the fiscal year ending September 30, 1981, shall be made available for grants under subsections (a) and (c) of section 121 to qualified applicants which received grants under section 121 during the fiscal year ending September 30, 1978. The remainder of the sums appropriated for such fiscal years shall be made available as the Secretary determines, except that not less than 40 percent of such remainder shall be made available for grants under subsections (b) and (c) of section 121.]

SEC. 123. *There is authorized to be appropriated to make allotments to carry out this part $7,800,000 for fiscal year 1984.*

PART C—GRANTS FOR PLANNING AND PROVISION OF SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

AUTHORIZATION OF APPROPRIATIONS [FOR ALLOTMENTS]

SEC. 131. [For allotments under section 132, there are authorized to be appropriated $40,000,000 for fiscal year 1976, $50,000,000 for fiscal year 1977, $60,000,000 for for fiscal year 1978, $55,000,000 for the fiscal year ending September 30, 1979, $65,000,000 for the fiscal year ending September 30, 1980, and $75,000,000 for the fiscal year ending September 30, 1981.] *There is authorized to be appropriated to carry out the provisions of this part $45,400,000 for fiscal year 1984.*

STATE ALLOTMENTS

SEC. 132. (a)(1) In each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 131 among the States on the basis of—

(A) the population,

(B) the extent of need for services for persons with developmental disabilities, and

(C) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 133 for the provision under such plans of services for persons with developmental disabilities.

(2) For any fiscal year, the allotment under paragraph (1)—

(A) to each of American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands may not be less than $100,000, and

(B) to any other State may not be less than the greater of $250,000, or the amount of the allotment (determined without regard to subsection (d)) received by the State for the fiscal year ending September 30, 1978.

(3) In determining, for purposes of paragraph (1)(B), the extent of need in any State for services for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services described, pursuant to section 133(b)(2)(B), in the State plan of the State.

(b) Whenever the State plan approved in accordance with section 133 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of the State plan. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of the State plan will receive proportionate benefit from the combination.

(c) Whenever the State plan approved in accordance with section 133 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies involved.

(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as he may fix (but not earlier than thirty days after he has published notice of his intention to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

STATE PLANS

SEC. 133. (a) Any State desiring to take advantage of this part must have a State plan submitted to and approved by the Secretary under this section.

(b) In order to be approved by the Secretary under this section, a State plan for the provision of services for persons with developmental disabilities must meet the following requirements:

State Planning Council and Administration of Plan

(1)(A) The plan must provide for the establishment of a State Planning Council, in accordance with section 137, for the assignment to the Council of personnel in such numbers and with such qualifications as the Secretary determines to be adequate to enable the Council to carry out its duties under that section, and for the identification of the personnel so assigned.

(B) The plan must designate the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency the portion of such plan which each will administer (or the portion the administration of which each will supervise).

(C) The plan must provide that each State agency designated under subparagraph (B) will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to verify such reports.

(D) The plan must provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part.

Description of Objectives and Services

(2) The plan must—

(A) set out the specific objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

(B) describe (and provide for the review annually and revision of the description not less often than once every three years) (i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for Federally assisted State programs as the State conducts relating to education for the handicapped, vacational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health, and under such other plans as the Secretary may specify, and (ii) how funds allotted to the State in accordance with section 132 will be used to complement and augment rather than duplicate or replace services for persons with developmental disabilities which are eligible for Federal assistance under such other State programs;

(C) for each fiscal year, assess and describe the extent and scope of the priority services (as defined in section 102(8)(B)) being or to be provided under the plan in the fiscal year; and

(D) establish a method for the periodic evaluation of the plans effectiveness in meeting the objectives decribed in subparagraph (A).

Use of Funds

(3) The plan must contain or be supported by assurances satisfactory to the Secretary that—

(A) the funds paid to the State under section 132 will be used to make a significant contribution toward strengthening services for persons with developmental disabilities through agencies in the various political subdivisions of the State;

(B) part of such funds will be made available by the State to public or nonprofit private entities;

(C) such funds paid to the State under section 132 will be used to supplement and to increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds; and

(D) there will be reasonable State financial participation in the cost of carrying out the State plan.

Provision of Priority Services

(4)(A) The plan must—

(i) provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the four different areas of priority services (as defined in section 102(8)(B)); and

(ii) provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978, and the timely review and revision of a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of at least one of the areas of priority services, such area or areas to be specified in the plan, and (at the option of the State) for the provision of an additional area of services for the developmentally disabled, such area also to be specified in the plan.

(B)(i) Except as provided in clause (iii), the plan must provide that not less than $100,000 or 65 percent of the amount available to the State under section 132, whichever is greater, will be expended, as provided in clause (ii), for service activities in the areas of services specified in the plan under subparagraph (A)(ii).

(ii) For any year in which the sums appropriated under section 131 do not exceed—

(I) $60,000,000, not less than $100,000 or 65 percent of the amount available to the State under section 132, whichever is greater, must be expended for service activities in no more

than two of the areas of services specified in the plan under subparagraph (A)(ii), and

(II) $90,000,000, not less than $100,000 or 65 percent of the amount available to the State under section 132, whichever is greater, must be expended for service activities in no more than three of the areas of services specified in the plan under subparagraph (A)(ii).

(iii) A State, in order to comply with clause (i) for a fiscal year beginning before January 1, 1980, is not required to reduce the amount which is available to it under section 132 and which is expended for planning activities below the amount so expended for planning activities in the preceding fiscal year, if substantially the remainder of the amount available to the State, which is expended for other than administration, is expended for service activities in the areas of services specified in the plan under subparagraph (A)(ii). For purposes of this clause, expenditures for planning activities do not include any expenditures for service activities (as defined in clause (iv)).

(iv) For purposes of this subparagraph, the term "service activities" includes, with respect to an area of services, provision of services in the area, model service programs in the area, activities to increase the capacity of institutions and agencies to provide services in the area, coordinating the provision of services in the area with the provision of other services, outreach to individuals for the provision of services in the area, the training of personnel to provide services in the area, and similar activities designed to expand the use and availability of services in the area.

(C) Notwithstanding subparagraph (B), upon the application of a State, the Secretary, pursuant to regulations which the Secretary shall prescribe, may permit the portion of the funds which must otherwise be expended under the State plan for service activities in a limited number of areas of services to be expended for service activities in additional areas of services if he determines that the expenditures of the State on service activities in the initially specified areas of services has reasonably met the need for those services in the State in comparison to the extent to which the need for such additional area or areas of services has been met in such State. Such additional areas shall, to the maximum extent feasible, be areas within the areas of priority services (as defined in section 102(8)(B)).

(D) The plan must provide that special financial and technical assistance shall be given to agencies or entities providing services for persons with developmental disabilities who are residents of geographical areas designated as urban or rural poverty areas.

Standards for Provision of Services and Protection of Rights of Recipients of Services

(5)(A)(i) The plan must provide that services furnished, and the facilities in which they are furnished, under the plan for persons with developmental disabilities will be in accordance with standards prescribed by the Secretary in regulations.

(ii) The plan must provide satisfactory assurances that buildings used in connection with the delivery of services assisted under the

plan will meet standards adopted pursuant to the Act of August 12, 1968 (42 U.S.C. 4151-4157) (known as the Architectural Barriers Act of 1968).

(B) The plan must provide that services are provided in an individualized manner consistent with the requirements of section 112 (relating to habilitation plans).

(C) The plan must contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this title will be protected consistent with section 111 (relating to rights of the developmentally disabled).

(D) The plan must provide assurances that the State has undertaken affirmative steps to assure the participation in programs under this title of individuals generally representative of the population of the State, with particular attention to the participation of members of minority groups.

Professional Assessment and Evaluation Systems

(6) The plan must provide for—

(A) an assessment of the adequacy of the skill level of professionals and paraprofessionals serving persons with developmental disabilities in the State and the adequacy of the State programs and plans supporting training of such professionals and paraprofessionals in maintaining the high quality of services provided to persons with developmental disabilities in the State; and

(B) the planning and implementation of a evaluation system (in accordance with section 110(a)).

Utilization of VISTA Personnel; Effect of Deinstitutionalization

(7)(A) The plan must provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 (Public Law 93-113) and other appropriate voluntary organizations, except that such volunteer services shall supplement, and shall not be in lieu of, services of paid employees.

(B) The plan must provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions under the plan to provide alternative community living arrangement services (as defined in section 102(8)(E)), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

Additional Information and Assurances Required by Secretary

(8) The plan also must contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotment of such State for any fiscal year or $50,000, whichever is less, shall be available for the total expenditures for such purpose by all of the State agencies designated under subsection (b)(1)(B) for the administration or supervision of the administration of the State plan. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the previous fiscal year.

PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION AND SERVICES

SEC. 134. From each State's allotments for a fiscal year under section 132, the State shall be paid the Federal share of the expenditures, other than expenditures for construction, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION, AND SERVICES

SEC. 135. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Planning Council and the appropriate State agency, designated pursuant to section 133(b)(1) finds that—

(1) there is a failure to comply substantially with any of the provisions required by section 133 to be included in the State plan; or

(2) there is a failure to comply substantially with any regulations of the Secretary which are applicable to this part.

the Secretary shall notify such State Council and agency or agencies that further payments will not be made to the State under this part (or, in his discretion, that further payments will not be made to the State under this part for activities in which there is such failure), until he is satisfied that there will no longer be such failure. Until he is so satisfied, the Secretary shall make no further

payment to the State under this part or shall limit further payment under this part, to such State to activities in which there is no such failure.

NONDUPLICATION

SEC. 136. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 133, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 132, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

STATE PLANNING COUNCILS

SEC. 137. (a)(1) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities (as defined in section 102(7)). The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State. The Governor of each State shall make appropriate provisions for the rotation of membership on the Council of his respective State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies, higher education training facilities, local agencies, and non-governmental agencies and groups concerned with services to persons with developmental disabilities in that State.

(2) At least one-half of the membership of each Council shall consist of persons who—

(A) are persons with developmental disabilities or parents or guardians of such persons, or

(B) an immediate relatives or guardians of persons with mentally impairing developmental disabilities,

who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

(3) Of the members of the Council described in paragraph (2)—

(A) at least one-third shall be persons with developmental disabilities, and

(B)(i) at least one-third shall be individuals described in subparagraph (B) of paragraph (2), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized person with a developmental disability.

(b) Each State Planning Council shall—

(1) develop jointly with the State agency or agencies designated under section 133(b)((1)(B) the State plan required by this part, including the specification of areas of services under section 133(b)(4)(A)(ii);

(2) monitor, review, and evaluate, not less often than annually, the implementation of such State plan;

(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request, and keep such records and afford such access thereto as the Secretary find necessary to verify such reports.

JUDICIAL REVIEW

SEC. 138. If any State is dissatisfied with the Secretary's action under section 133(c) or section 135, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or ot set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of the fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting asise, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

PART D—SPECIAL PROJECT GRANTS

GRANT AUTHORITY

SEC. 145. (a) The Secretary may make project grants to public or nonprofit private entities for—

(1) demonstrations (and research and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving services (particularly priority services) to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped); and

(2) demonstrations (and research, training, and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving protection and advocacy services related to the state protection and advocacy system (descried in section 113).

(b) Grants provided under subsection (a) shall include grants for—

(1) public awareness and public education programs to assist in the elimination of social, attitudinal, and environmental barriers confronted by persons with developmental disabilities;

(2) coordinating and using all available community resources in meeting the needs of persons with developmental disabilities (especially those from disadvantaged backgrounds);

(3) demonstrations of the provision of services to persons with developmental disabilities who are also disadvantaged because of their economic status;

(4) technical assistance relating to services and facilities for persons with developmental disabilities, including assistance in State and local planning or administration respecting such services and facilities;

(5) training of specialized personnel needed for the provision of services for persons with developmental disabilities or for research directly related to such training;

(6) developing or demonstrating new or improved techniques for the provision of services to persons with developmental disabilities (including model integrated service projects);

(7) gathering and disseminating information relating to developmental disabilities;

(8) improving the quality of services provided in and the administration of programs for such persons; and

(9) developing or demonstrating innovative methods to attract and retain professionals to serve in rural areas in the habilitation of persons with developmental disabilities.

(c) The Secretary shall establish procedures to insure participation of persons with developmental disabilities and their parents or guardians in determining priorities to be utilized by the Secretary in making grants under this section.

(d) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless the State in which the applicant's project will be conducted has a State plan approved under part C. The Secretary shall provide to the State Planning Council for the State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments thereon.

(e) Payments under grants under subsection (a) may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary. In determining the amount of any grant under subsection (a) for the cost of any project, there shall be excluded from such costs an amount equal to the sum of (1) the amount of any other Federal grant which the applicant has obtained, or is assured of obtaining, with respect to such project, and (2) the amount of any non-Federal funds required to be expended as condition of such other Federal grant.

(f) [For the purpose of making payments under grants under subsection (a), there are authorized to be appropriated $18,000,000 for fiscal year 1976, $22,000,000 for fiscal year ending September 30, 1979. $22,000,000 for the fiscal year ending September 30, 1980, and $26,000,000 for fiscal year ending September 30, 1982.] *For the purpose of making grants under subsection (a), there is authorized to be appropriated $2,600,000 for fiscal year 1984.*

(g) Of the funds appropriated under subsection (b) for any fiscal year, not less than 25 per centum of such funds shall be used for projects which the Secretary determines are of national significance.

(h) No funds appropriated under the Public Health Service Act, under this Act (other than under subsection (f) of this), or under section 34 of the Rehabilitiation Act of 1973 may be used to make grants under subsection (a)

OTHER PROVISIONS OF TITLE V OF P.L. 95-602 RELATING TO DEVELOPMENTAL DISABILITIES

STUDIES AND RECOMMENDATIONS

SEC. 502(b)(2). The Secretary of Health, Education, and Welfare shall submit to Congress not later than January 15, 1981, a special report concerning the impact of the amendment of the definition of "developmentally disabled" made by paragraph (1). This report shall include—

(A) an analysis of the impact of the amendment on each of the categories of persons with developmental disabilities receiving service under the Developmental Disabilities Assistance and Bill of Rights Act before the date of enactment of this Act, and for the fiscal year ending on September 30, 1979 and for the succeeding fiscal year, including—

(i) the number of persons with developmental disabilities in each category served before and after such date of enactment; and

(ii) the amounts expended under such Act for each such category of persons with development disabilities before and after such date of enactment; and

(B) an assessment, evaluation and comparting of services provided to persons with developmental disabilities provided before the date of enactment of this Act and for the fiscal year ending September 30, 1979, and for the succeeding fiscal year.

EFFECTIVE DATE

SEC. 515. The amendments made by this title shall apply to payments under Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act for fiscal years beginning on and after October 1, 1978.

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